

001

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		5. MINERAL LEASE NO: ML-47063	6. SURFACE: State
8. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
2. NAME OF OPERATOR: THE HOUSTON EXPLORATION COMPANY		9. WELL NAME and NUMBER: ROCK HOUSE 13-32-10-23	
3. ADDRESS OF OPERATOR: 1100 LOUISIANA, SUITE CITY HOUSTON STATE TX ZIP 77002		PHONE NUMBER: (713) 830-6800	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 564' FSL & 471' FWL AT PROPOSED PRODUCING ZONE: SAME AS ABOVE		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 32 10S 23E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 75.9 MILES SOUTH OF VERNAL, UTAH		12. COUNTY: UINTAH	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 471'	16. NUMBER OF ACRES IN LEASE: 640	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1000' +/-	19. PROPOSED DEPTH: 7,695	20. BOND DESCRIPTION: 104155044	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5461.5' GR	22. APPROXIMATE DATE WORK WILL START: 4/15/2005	23. ESTIMATED DURATION: 30 DAYS	

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MAR 18 2005

24. PROPOSED CASING AND CEMENTING PROGRAM

DIV. OF OIL, GAS & MINING

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
11"	9 5/8 J-55 36#	2,000	PREMIUM LITE II 250 SKS 3.38 CF 11.0 PPG
			CLASS "G" 329 SKS 1.2 CF 15.6 PPG
			CALCIUM CHLORIDE 200 SKS 1.10 CF 15.6 PPG
7 7/8"	4 1/2 N-80 11.6#	7,695	PREMIUM LITE II 200 SKS 3.3 CF 11.0 PPG
			CLASS "G" 400 SKS 1.56 CF 14.3 PPG

25. ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- | | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) WILLIAM A RYAN TITLE AGENT

SIGNATURE William A Ryan DATE 3/8/2005

(This space for State use only)

API NUMBER ASSIGNED: 43-047-36411Approved by the
Utah Division of
Oil, Gas and MiningDate: 04-21-05
By: [Signature]

CONFIDENTIAL

T10S, R23E, S.L.B.&M.

S89°46'W - 2663.76' (G.L.O.)

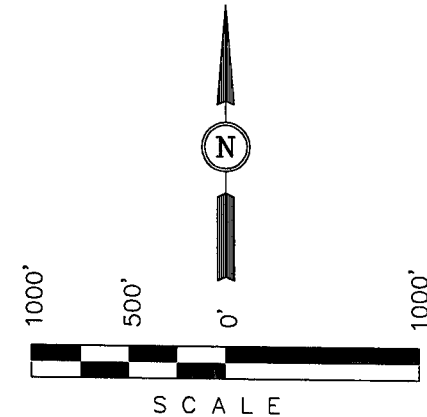
S89°31'W - 2647.92' (G.L.O.)

THE HOUSTON EXPLORATION COMPANY

Well location, ROCK HOUSE #13-32-10-23, located as shown in the SW 1/4 SW 1/4 of Section 32, T10S, R23E, S.L.B.&M. Uintah County, Utah.

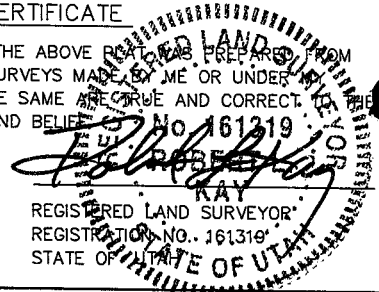
BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



N00°29'W - 2645.94' (G.L.O.)

2603.04' (G.L.O.)

N00°05'W - 2636.70' (G.L.O.)

N00°13'W - 2643.96' (G.L.O.)

32

NOTE:
THE PROPOSED WELL HEAD BEARS
N39°20'18"E 730.51' FROM THE
SOUTHWEST CORNER OF SECTION 32,
T10S, R23E, S.L.B.&M.

ROCK HOUSE #13-32-10-23
Elev. Ungraded Ground = 5456'

See Detail
Above Right

1994 Alum. Cap,
0.4' High, Pile
of Stones

N89°54'06"E - 2633.72' (Meas.)

N89°58'E - 2638.02' (G.L.O.)

T10S
T11S

1995 Alum. Cap,
Flush w/Top of
Pile of Stones,
Steel Post

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(AUTONOMOUS NAD 83)
LATITUDE = 39°53'59.02" (39.899728)
LONGITUDE = 109°21'30.38" (109.358439)
(AUTONOMOUS NAD 27)
LATITUDE = 39°53'59.14" (39.899761)
LONGITUDE = 109°21'27.94" (109.357761)

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 01-27-05	DATE DRAWN: 02-09-05
PARTY J.W. S.W. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE THE HOUSTON EXPLORATION COMPANY	

002

The Houston Exploration Company
1100 Louisiana, Suite 2000
Houston, TX 77002
713-830-6800

Please hold all information associated with this Application for Permit to Drill and all associated logs confidential for a minimum of six (6) months.

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DIV. OF OIL, GAS & MINING

Ten Point Plan

The Houston Exploration Company

Rock House #13-32-10-23

Surface Location SW ¼ SW ¼, Section 32, T. 10S., R. 23E.

1. Surface Formation

Green River

2. Estimated Formation Tops and Datum:

<u>Formation</u>	<u>Depth</u>	<u>Datum</u>
Green River	Surface	+5,462' G.L.
Uteland Butte Limestone	3,365	+2,097'
Wasatch	3,447	+2,015'
Mesaverda	5,347	+115'
Buck Tounge	7,647	-2,185'
Castlegate	7,727	-2,265'
TD	7,695	-2,233'

A 11" hole will be drilled to 2,000' +/- . The hole depth will depend on the depth that the Birds Nest Zone is encountered. The hole will be drilled 400' beyond the top of the Birds Nest.

3. Producing Formation Depth:

Formation objective includes the Green River, Wasatch, Mesaverde and its sub-members.

Off Set Well information

Permitted/Drilled: Rock House #4-32-10-23, Rock House 3-32-10-23,
Rock House 2D-32, Rock House 5-32-10-23,
Rock House 6D-32, Rock House 7-32-10-23,
Rock House 9-32-10-23 Rock House 10D-32,
Rock House 11-32-10-23, Rock House 12D-32,
Rock House 15-32-10-23

Producing Wells: Rock House #11-31

Abandon Wells: Rock House #U7

4. Proposed Casing:

<u>Hole Size</u>	<u>Casing Size</u>	<u>Weight/FT</u>	<u>Grade</u>	<u>Coupling & Tread</u>	<u>Casing Depth</u>	<u>New/Used</u>
11	8 5/8	36#	J-55	STC	2000	NEW
7 7/8	4 1/2	11.6#	N-80	LTC	T.D.	NEW

Cement Program:

The Surface Casing will be cemented to the Surface as follows:

	<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
Lead:	8 5/8	Premium Lite II .05#/sk Static Free .25#/sk Cello Flake 5#/sk KOL Seal .002 gps FP-6L 10% Bentonite .5% Sodium Metasilicate 3% Potassium Chloride	250 sks. +/-	3.38ft ³ /sk	11.0 ppg
Tail:	8 5/8	Class "G" 2% Calcium Chloride .25#/sk Cello Flake	329 sks. +/-	1.2ft ³ /sk	15.6 ppg
Top Job:	8 5/8	4% Calcium Chloride .25#/sk Cello Flake	200 sks. +/-	1.10ft ³ /sk	15.6 ppg

Production casing will be cemented to 2,500' or higher as follows:

	<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
Lead:					
	4 1/2	Premium Lite II .25#/sk Cello Flake .05#/sk Static Free 5#/sk Kol Seal 3% Potassium Chloride .055 gps FP-6L 10% Bentonite .5 Sodium Metasilicate	200 sks +/-	3.3ft ³ /sk	11.0 ppg
Tail:					
	4 1/2	Class "G" .05% Static Free 2 Sodium Chloride .1% R-3 2% Bentonite	400 sks +/-	1.56ft ³ /sk	14.3 ppg

5. BOP and Pressure Containment Data:

The anticipated bottom hole pressure will be less than 3000 psi.

A 3000-psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 8 5/8" surface casing. The BOP system including the casing will be pressure tested to minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

6. Mud Program:

<u>Interval</u>	<u>Mud weight lbs./gal.</u>	<u>Viscosity Sec./OT.</u>	<u>Fluid Loss Ml/30 Mins.</u>	<u>Mud Type</u>
0-2000	Air/Clear Water	-----	No Control	Water/Gel
2000-T.D.	8.4-12.0	30	8-10	Water/Gel

7. Auxiliary Equipment

Upper Kelly cock, full opening stabbing valve, 2 ½" choke manifold and pit level indicator.

8. Testing, Coring, Sampling and Logging:

- a) Test: None are anticipated.
- b) Coring: There is the possibility of sidewall coring.
- c) Sampling: Every 10' from 2000' to T.D.
- d) Logging:

Type	Interval
DLL/SFL W/GR and SP	T.D. to Surf. Csg
FDC/CNL W/GR and CAL	T.D. to Surf. Csg

9. Abnormalities (including sour gas):

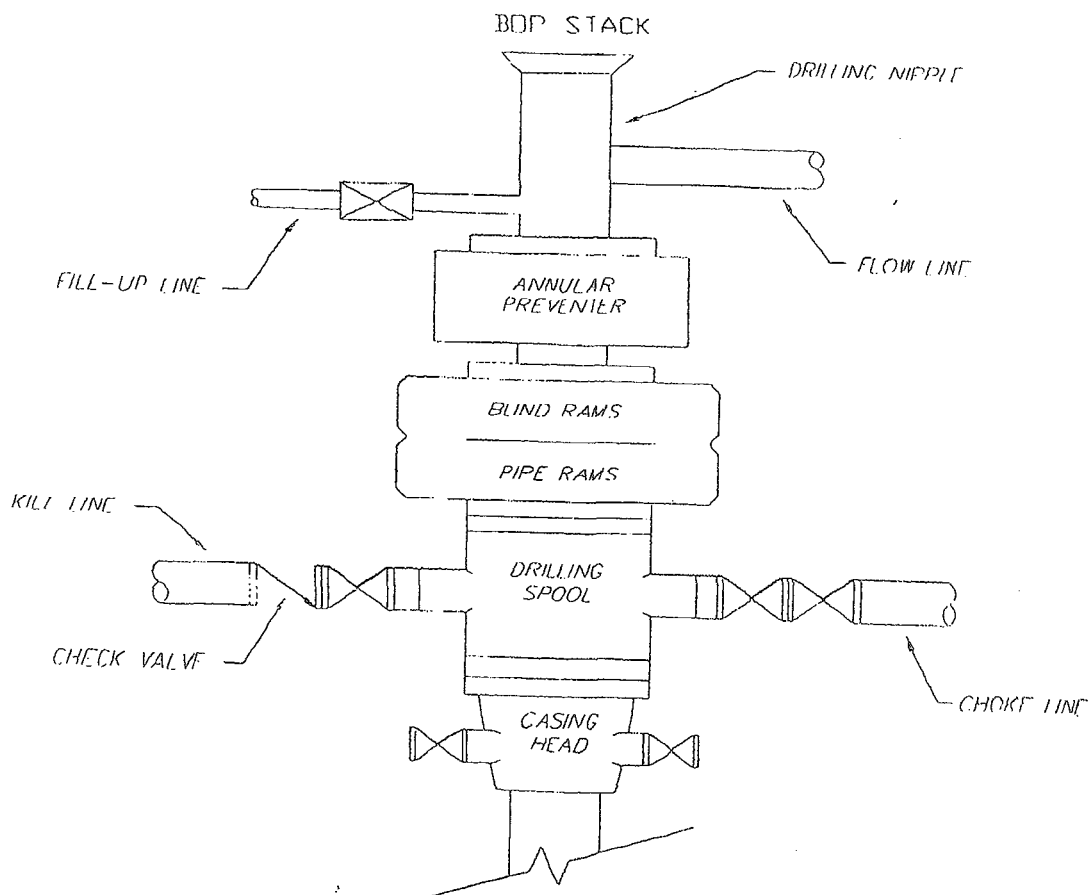
No abnormal pressures, temperatures or other hazards are anticipated. Oil and gas shows are anticipated in the Wasatch Formation. Other wells drilled in the area have not encountered over pressured zones or H₂S.

10. Drilling Schedule:

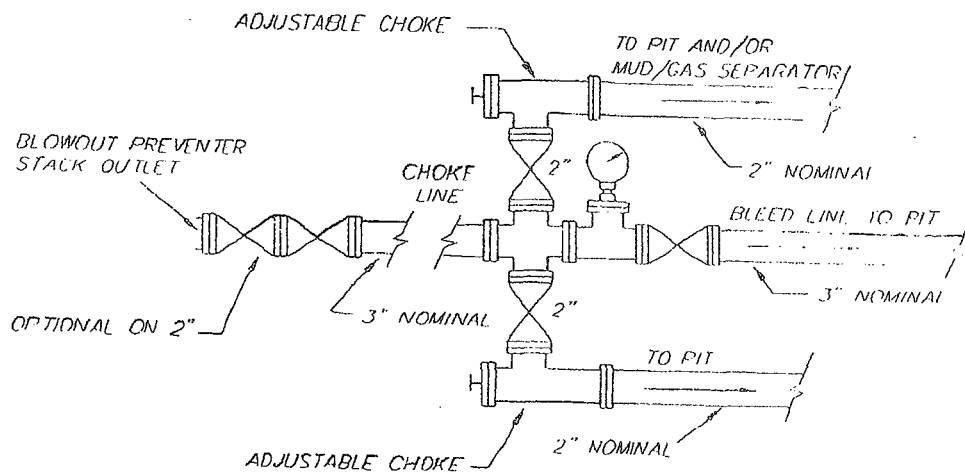
The anticipated starting date is 4/15/05. Duration of operations is expected to be 30 days.

THE HOUSTON EXPLORATION COMPANY

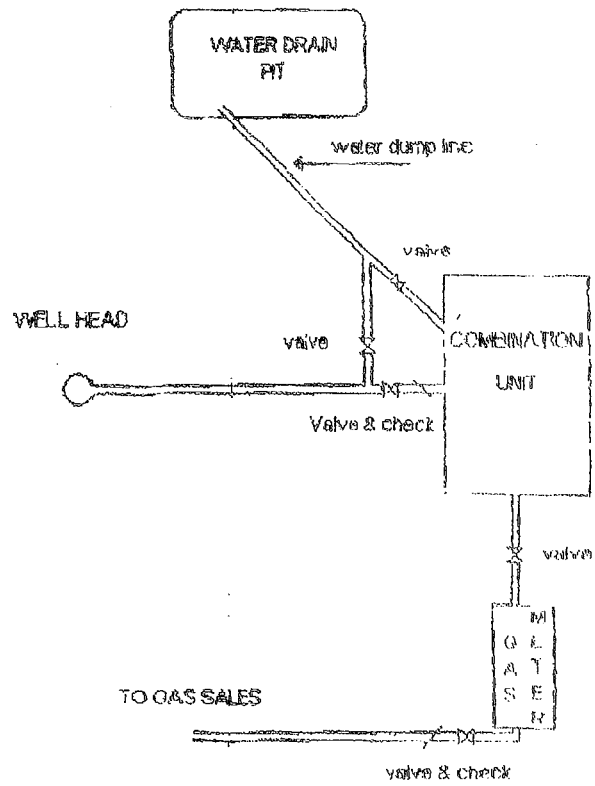
TYPICAL 3,000 p.s.i. BLOWOUT PREVENTER SCHEMATIC



TYPICAL 3,000 p.s.i. CHOKE MANIFOLD SCHEMATIC



TYPICAL
GAS WELL



THE HOUSTON EXPLORATION COMPANY

13 POINT SURFACE USE PLAN

FOR WELL

ROCKHOUSE 13-32-10-23

LOCATED IN SW $\frac{1}{4}$ SW $\frac{1}{4}$

SECTION 32, T. 10S, R23E, S.L.B.&M.

UINTAH COUNTY, UTAH

LEASE NUMBER: ML-47063

SURFACE OWNERSHIP: STATE

1. Existing Roads:

To reach The Houston Exploration Co well Rock House #13-32-10-23 in Section 32, T10S, R 23E, starting in Vernal, Utah.

Proceed in a easterly, then southerly direction from Vernal, Utah along US Highway 40 approximately 3.9 miles to the junction of State Highway 45; exit right and proceed in a southerly, direction approximately 41.5 miles on paved State Highway 45 to the junction of this road and gravel State Highway 45 to southeast; turn left and proceed in an southeasterly direction, approximately 3.8 miles to the junction of this road and State Highway 207 to the southwest; turn right and proceed in a southeasterly direction approximately 8.4 miles to the junction of this road and an existing road to the southwest; proceed in a southwesterly direction approximately 7.8 miles to the junction of this road and an existing road to the northwest; turn right and proceed in a northwesterly, direction approximately 0.5 miles to the junction of this road and an existing road to the west; turn left and proceed in a westerly, then northerly direction approximately 2.7 miles to the junction of this road and an existing road to the northwest; turn left and proceed in a northwesterly, then northerly direction approximately 5.4 miles to the junction of this road and an existing road to the north; proceed in a northerly, then northwesterly,

then northeasterly direction approximately 1.7 miles to the beginning of the proposed access to the north; follow road flags in a northerly, then northeasterly direction approximately 0.2 miles to the proposed location.

Total distance from Vernal, Utah to the proposed well location is approximately **75.9 miles**.

All existing roads to the proposed location are State of Utah, BLM maintained or County Class D roads. Please see the attached map for additional details.

2. Planned access road

The proposed access road will be approximately 300' +/- of new construction on lease and approximately 756' of new construction off lease. The road will be graded once per year minimum and maintained.

A) Approximate length	1056 ft
B) Right of Way width	30 ft
C) Running surface	18 ft
D) Surface material	Native soil
E) Maximum grade	5%
F) Fence crossing	None
G) Culvert	None
H) Turnouts	None
I) Major cuts and fills	None
J) Road Flagged	Yes
K) Access road surface ownership	State & Federal
L) All new construction on lease	No
M) Pipe line crossing	None

Please see the attached location plat for additional details.

An off lease right of way will be required for approximately 756'.

All surface disturbances for the road and location will not be within the lease boundary.

3. Location of existing wells

The following wells are located within a one-mile radius of the location site.

A) Producing well

Rock House #2D-32

Rock House #6D-32

Rock House #10D-32

Rock House #12D-32

Rock House 11-31

B) Water well

None

C) Abandoned well

Rock House #U7

D) Temp. abandoned well

None

E) Disposal well

None

F) Drilling /Permitted well

Rock House #3-32-10-23

Rock House #4-32-10-23

Rock House #7-32-10-23

Rock House #9-32-10-23

Rock House #11-32-10-23

Rock House #5-32-10-23

Rock House #15-32-10-23

G) Shut in wells

None

H) Injection well

None

I) Monitoring or observation well

None

Please see the attached map for additional details.

4. Location of tank batteries, production facilities and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted a Desert Tan color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded. The required paint color is Desert Tan.

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

The operator will adhere to all site security guidelines and regulation identified in 43 cfr 3126.7.

All off lease storage, off lease measurement, commingling on lease or off lease, of production, will have prior written approval from the authorized officer.

If the well is capable of economic production a surface gas line will be required.

Approximately 1105' +/- of 3" gathering line would be constructed on State and Federal Lands. The line would tie into the existing pipeline in Sec. 5, T10S, R23E. The line will be strung and

boomed to the south and west of the access road and location.

An off lease right of way will be required for approximately 755'.

Please see the attached location diagrams for pipeline location. There will be no additional surface disturbances required for the installation of a gathering line.

The gas meter run will be located within 500' of the wellhead. The gas line will be buried or anchored down from the wellhead to the meter. Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter.

The authorized officer will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration report will be submitted to the BLM's Vernal District office and State of Utah, Division of Oil, Gas, and Mining. All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

5. Location and type of water supply

Water for drilling and cementing will come from the White River at

Saddle Tree Draw, Permit
T-75514.

6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. Additional road gravel or pit lining material will be obtained from private resources.

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately **12 ft.** deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details.

The reserve pit will be lined.

The reserve pit will be used to store water for drilling. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary, a storage tank for a period not to exceed 90 days

after initial production. During the 90-day period an application for approval for permanent disposal method and location will be submitted to the authorized officer.

C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized landfill location.

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site clean-up:

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

8. Ancillary facilities

There are no ancillary facilities planned at this time and none are foreseen for the future.

9. Well-site layout

Location dimensions are as follows:

- A) Pad length 340 ft.
- B) Pad width 210 ft.
- C) Pit depth 12 ft.
- D) Pit length 150 ft.
- E) Pit width 75 ft.
- F) Max cut 37.0 ft.
- G) Max fill 24.9 ft
- H) Total cut yds. 35,790 cu yds.

I) Pit location north side

J) Top soil location south end

K) Access road location west end

L) Flare Pit corner C

Please see the attached location diagram for additional details.

All pits will be fenced according to the following minimum standards:

- A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.
- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area. The topsoil removed and piled will amount to approximately **2,560** cubic yards of material.

Topsoil will be stockpiled in one distinct pile. Placement of the topsoil is noted on the attached location plat. The topsoil pile from the location will be seeded as soon as the soil is stock piled with the seed mix listed. When all drilling and completion activities have been completed and the pit back-filled the topsoil from the pit area will be spread on the pit area. The pit area will be seeded when the soil has been spread. The unused portion of the location (the area outside the dead men) will be re-contoured.

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

Changes to the drainage during the construction activities shall be restored to its original line of flow or as near as possible when the pit is back-filled

All disturbed areas will be re-contoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement

for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rainfall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert the run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified and left with a rough surface.

A) Seeding dates:

Seed will be spread when topsoil is stock piled and when reclamation work is performed.

The seed mix and quantity list will be used whether the seed is broadcast or drilled.

B) Seed Mix

**To be determined by the
Authorized Officer.**

11. Surface ownership:

Access road	State & Federal
Location	State
Pipe line	State & Federal

12. Other information:

A) Vegetation

The vegetation coverage is Slight. The majority of the existing vegetation consists of non-native species. Rabbit brush, bitter brush, and Indian Rice grass and Sagebrush are also found on the location.

B) Dwellings:

There are no dwelling or other facilities within a one-mile radius of the location.

C) Archeology:

The location has been surveyed. A copy of that survey will be forwarded to your office.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations, which would affect such sites, will be suspended and the discovery reported promptly to the surface management agency.

D) Water:

The nearest water is the White River located 2 miles to the North.

E) Chemicals:

No pesticides, herbicides or other possible hazardous

chemicals will be used without prior application.

F) Notification:

- a) Location Construction
At least forty eight (48) hours prior to construction of location and access roads.
- b) Location completion
Prior to moving on the drilling rig.
- c) Spud notice
At least twenty-four (24) hours prior to spudding the well.
- d) Casing string and cementing
At least twenty-four (24) hours prior to running casing and cementing all casing strings.
- e) BOP and related equipment tests
At least twenty-four (24) hours prior to initial pressure tests.
- f) First production notice
Within five (5) business days after the new well begins, or production resumes after well has been off production for more than 90 days.

G) Flare pit:

The flare pit will be located in **corner C** of the reserve pit outside the pit fences and 100 feet from the bore hole on the east side of the location. All fluids

will be removed from the pit
within 48 hours of occurrence.

13. Lessees or Operator's representative
and certification

A) Representative

William A. Ryan
290 S 800 E
Rocky Mountain Consulting
Vernal, UT 84078

Office 435-789-0968
Fax 435-789-0970
Cellular 435-828-0968

All lease and/or unit operations
will be conducted in such a
manner that full compliance is
made with all applicable laws,
regulations, onshore oil and gas
orders, and any applicable
notices to lessees. The operator
is fully responsible for the
actions of his subcontractors. A
copy of these conditions will be
furnished to the field
representative to ensure
compliance.

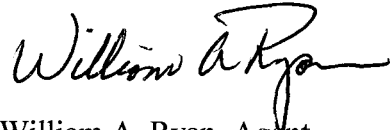
This drilling permit will be
valid for a period of one year
from the date of approval.
After permit termination, a new
application will be filed for
approval for any future
operations.

B) Certification:

I hereby certify that I, or persons
under my direct supervision, have
inspected the proposed drill-site

and access route that I am
familiar with the conditions which
presently exist, that the statements
made in this plan are, to the best
of my knowledge and belief, true
and correct, and that the work
associated with the operation
proposed herein will be
performed by The Houston
Exploration Company and its
contractors and subcontractors
in conformity with this plan and
terms and conditions with this
plan and the terms and conditions
under which it is approved.

Date 3/8/05



William A. Ryan, Agent
Rocky Mountain Consulting

Onsite Dates:

Statement of use of Hazardous Materials

No chemical(s) from the EPA's consolidated list of Chemicals subject to Reporting under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986 will be used, produced, transported, stored, disposed, or associated with the proposed action. No extremely hazardous substances, as defined in 40 cfr 355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

If you require additional information please contact:

William A Ryan
Agent for The Houston Exploration Company
Rocky Mountain Consulting
290 S 800 E
Vernal, UT 84078

435-789-0968 Office
435-828-0968 Cell
435-789-0970 Fax

THE HOUSTON EXPLORATION COMPANY

ROCK HOUSE #13-32-10-23

LOCATED IN UINTAH COUNTY, UTAH

SECTION 32, T10S, R23E, S.L.B.&M.

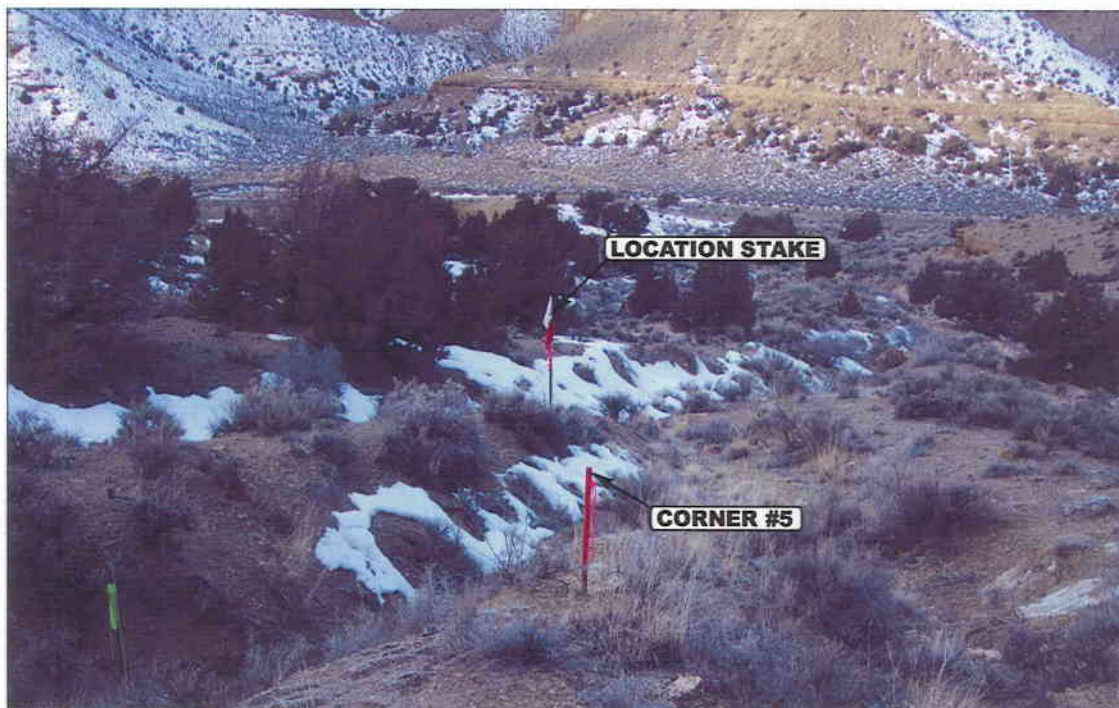


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHERLY



UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

02 **18** **05**
MONTH DAY YEAR

PHOTO

TAKEN BY: J.W.

DRAWN BY: C.P.

REVISED: 00-00-00

THE HOUSTON EXPLORATION COMPANY

FIGURE #1

LOCATION LAYOUT FOR
ROCK HOUSE #13-32-10-23
SECTION 32, T10S, R23E, S.L.B.&M.
564' FSL 471' FWL

Approx.
Top of
Cut Slope

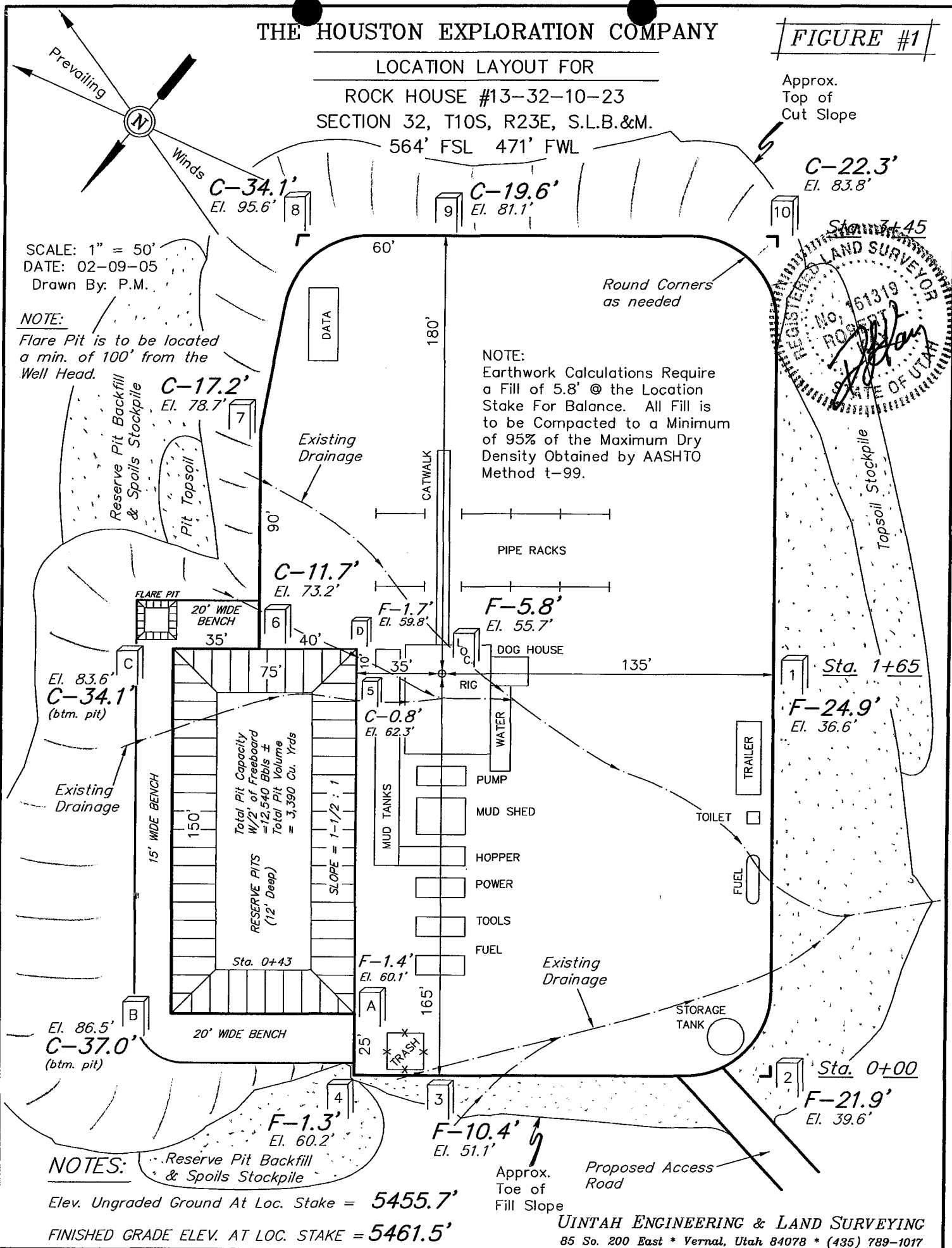
SCALE: 1" = 50'
DATE: 02-09-05
Drawn By: P.M.

NOTE:

Flare Pit is to be located
a min. of 100' from the
Well Head.

NOTE:

Earthwork Calculations Require
a Fill of 5.8' @ the Location
Stake For Balance. All Fill is
to be Compacted to a Minimum
of 95% of the Maximum Dry
Density Obtained by AASHTO
Method t-99.



NOTES:

Reserve Pit Backfill
& Spoils Stockpile

Elev. Ungraded Ground At Loc. Stake = 5455.7'

FINISHED GRADE ELEV. AT LOC. STAKE = 5461.5'

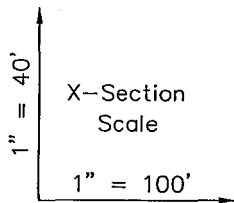
Approx.
Toe of
Fill Slope

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

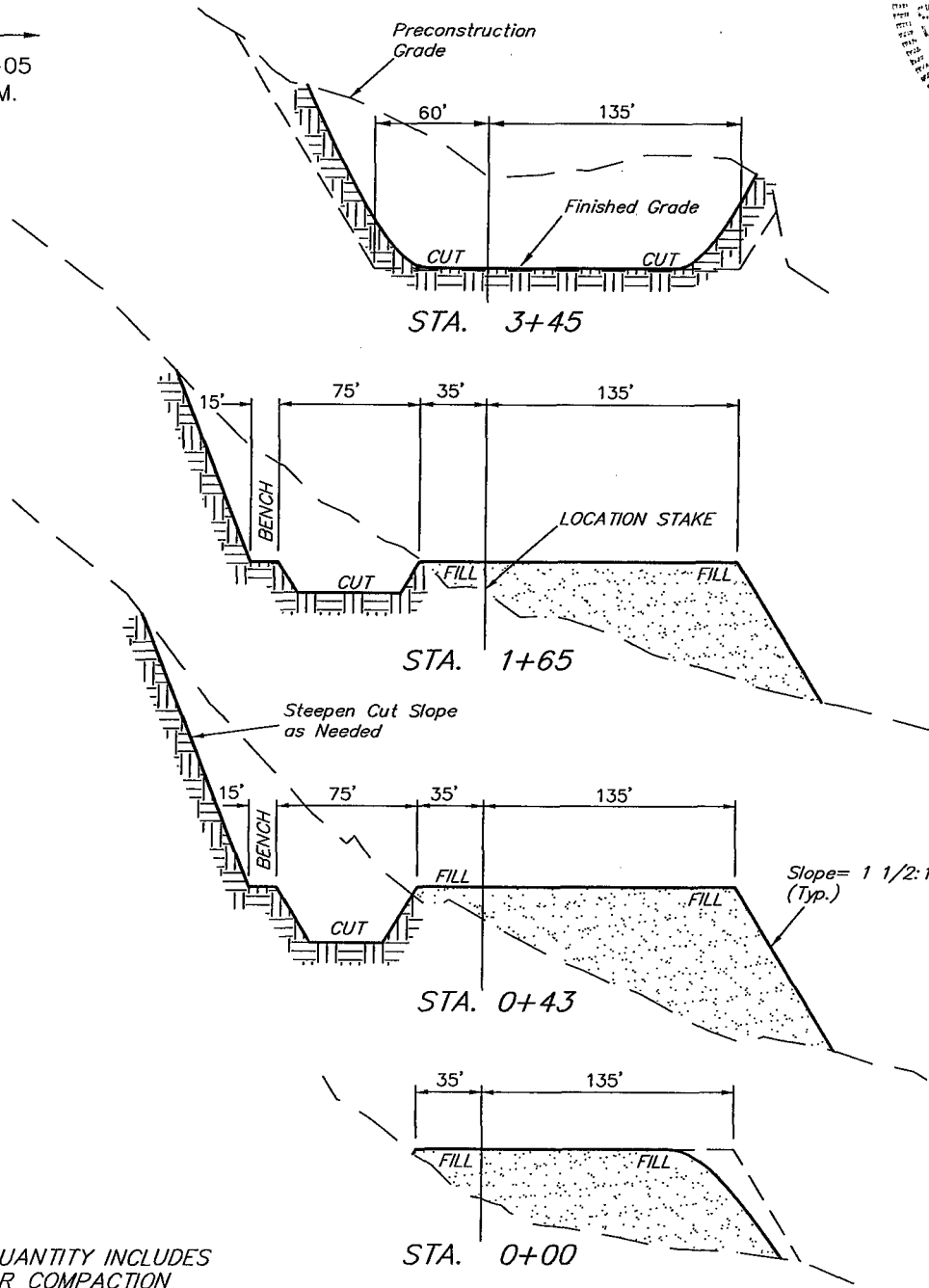
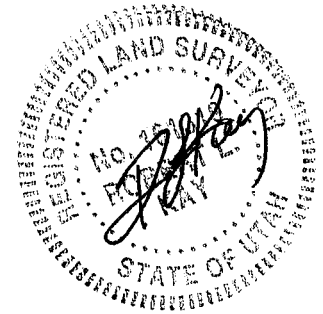
THE HOUSTON EXPLORATION COMPANY

FIGURE #2

TYPICAL CROSS SECTIONS FOR
 ROCK HOUSE #13-32-10-23
 SECTION 32, T10S, R23E, S.L.B.&M.
 564' FSL 471' FWL



DATE: 02-09-05
 Drawn By: P.M.



* NOTE:
 FILL QUANTITY INCLUDES
 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT
 (6") Topsoil Stripping = 2,560 Cu. Yds.
 Remaining Location = 33,230 Cu. Yds.
 TOTAL CUT = 35,790 CU.YDS.
 FILL = 31,540 CU.YDS.

EXCESS MATERIAL = 4,250 Cu. Yds.
 Topsoil & Pit Backfill
 (1/2 Pit Vol.) = 4,250 Cu. Yds.
 EXCESS UNBALANCE = 0 Cu. Yds.
 (After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
 85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

R	R
22	23
E	E

**PROPOSED LOCATION:
ROCK HOUSE #13-32-10-23**

SEE TOPO "B"

1.7 MI. +/-

T10S

T11S

USLI

Landing

STATE HIGHWAY 45 8.4 MI. +/-
BONANZA 17.6 MI. +/-
VERNAL 57.6 MI. +/-

5.4 MI. +/-

7.8 MI. +/-

0.5 MI. +/-

LEGEND:

⊙ PROPOSED LOCATION

THE HOUSTON EXPLORATION COMPANY

ROCK HOUSE #13-32-10-23

SECTION 32, T10S, R23E, S.L.B.&M.

564' FSL 471' FWL

UELS

Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

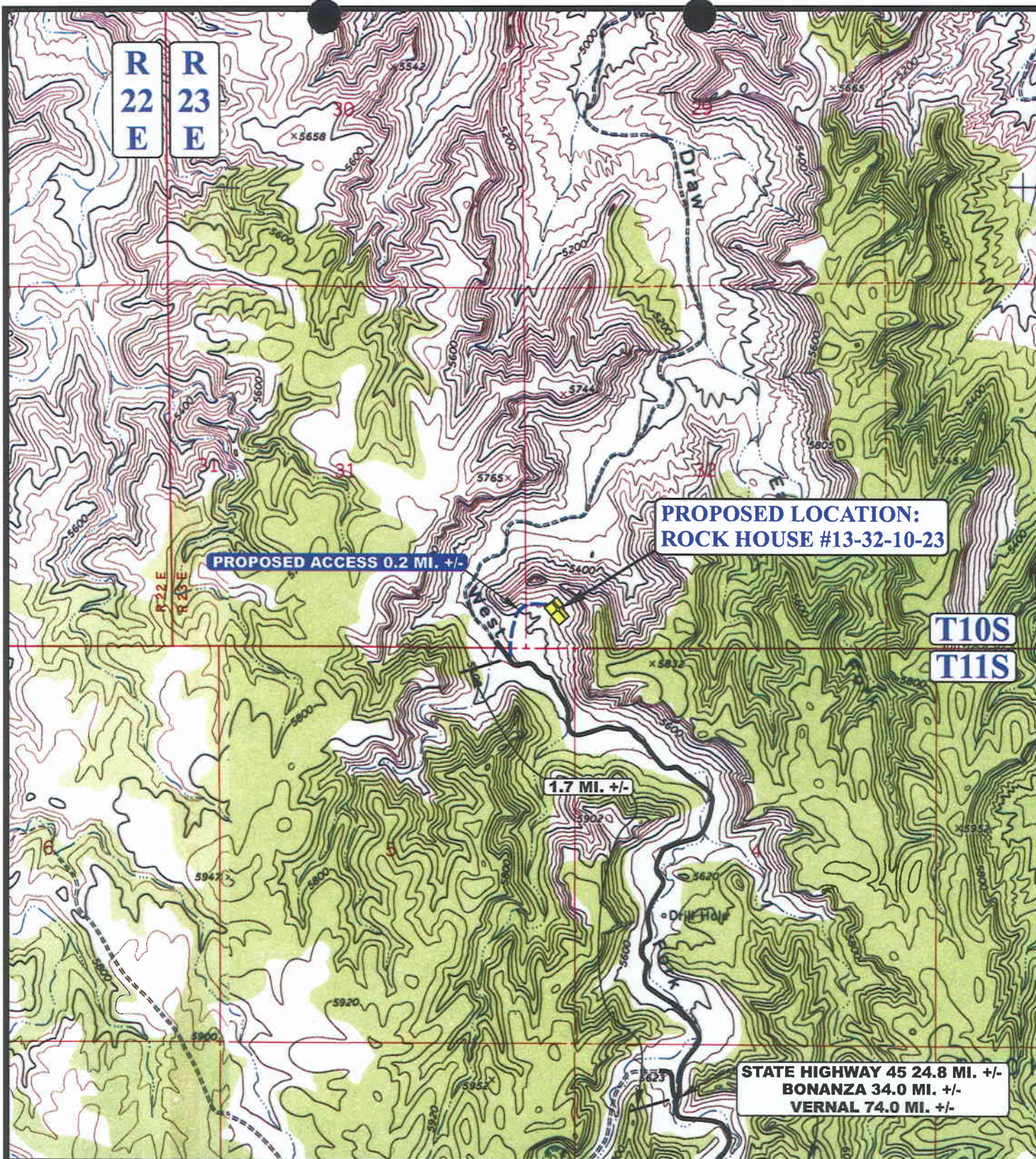
TOPOGRAPHIC MAP

02	18	05
MONTH	DAY	YEAR

SCALE: 1:100,000	DRAWN BY: C.P.	REVISED: 00-00-00
------------------	----------------	-------------------

A
TOPO





LEGEND:

— EXISTING ROAD
 - - - PROPOSED ACCESS ROAD

N

THE HOUSTON EXPLORATION COMPANY

**ROCK HOUSE #13-32-10-23
 SECTION 32, T10S, R23E, S.L.B.&M.
 564' FSL 471' FWL**



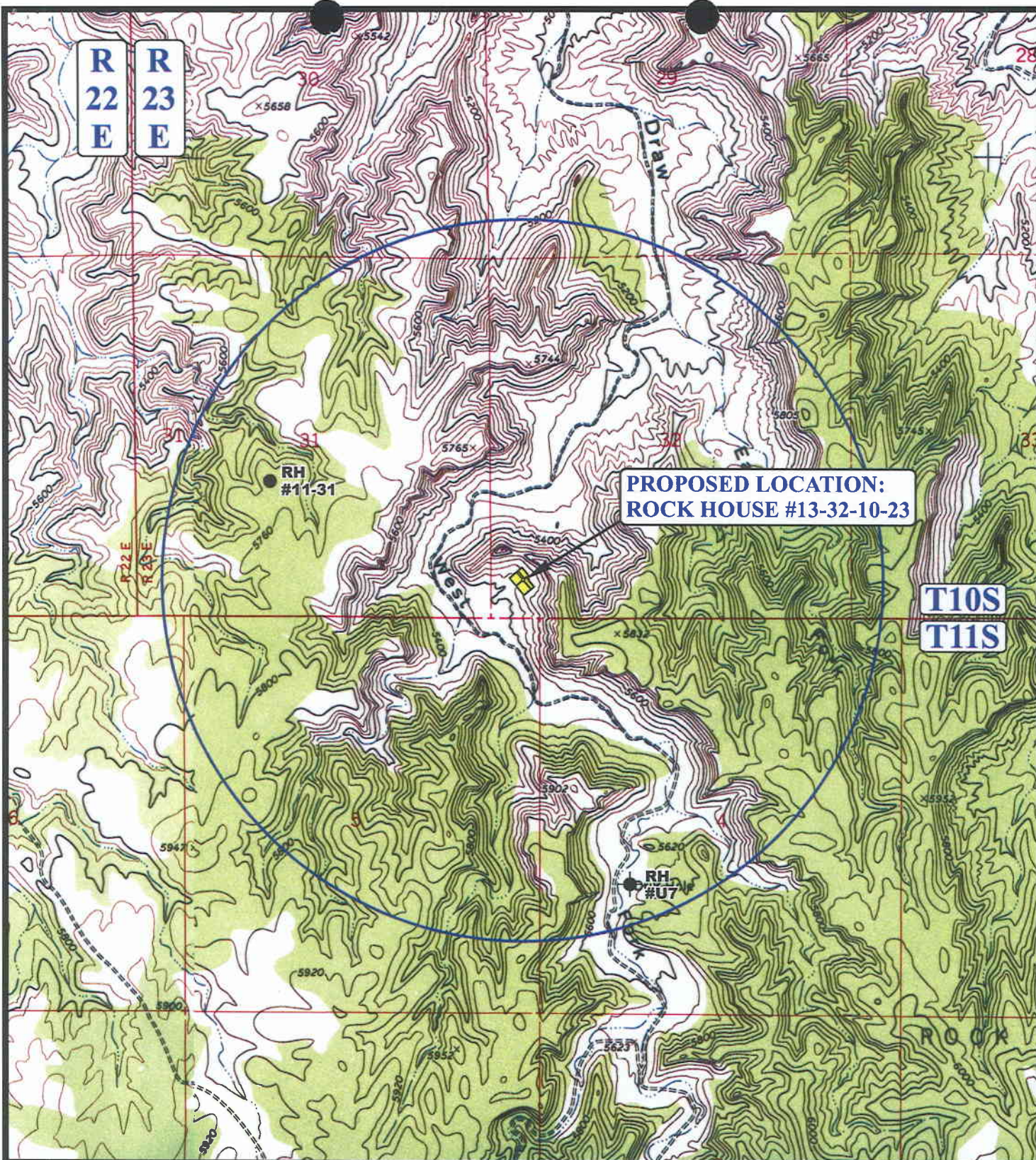
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
 MAP**

02 18 05
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

**B
 TOPO**



LEGEND:

- ⊗ DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ⊗ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



THE HOUSTON EXPLORATION COMPANY

ROCK HOUSE #13-32-10-23
SECTION 32, T10S, R23E, S.L.B.&M.
564' FSL 471' FWL



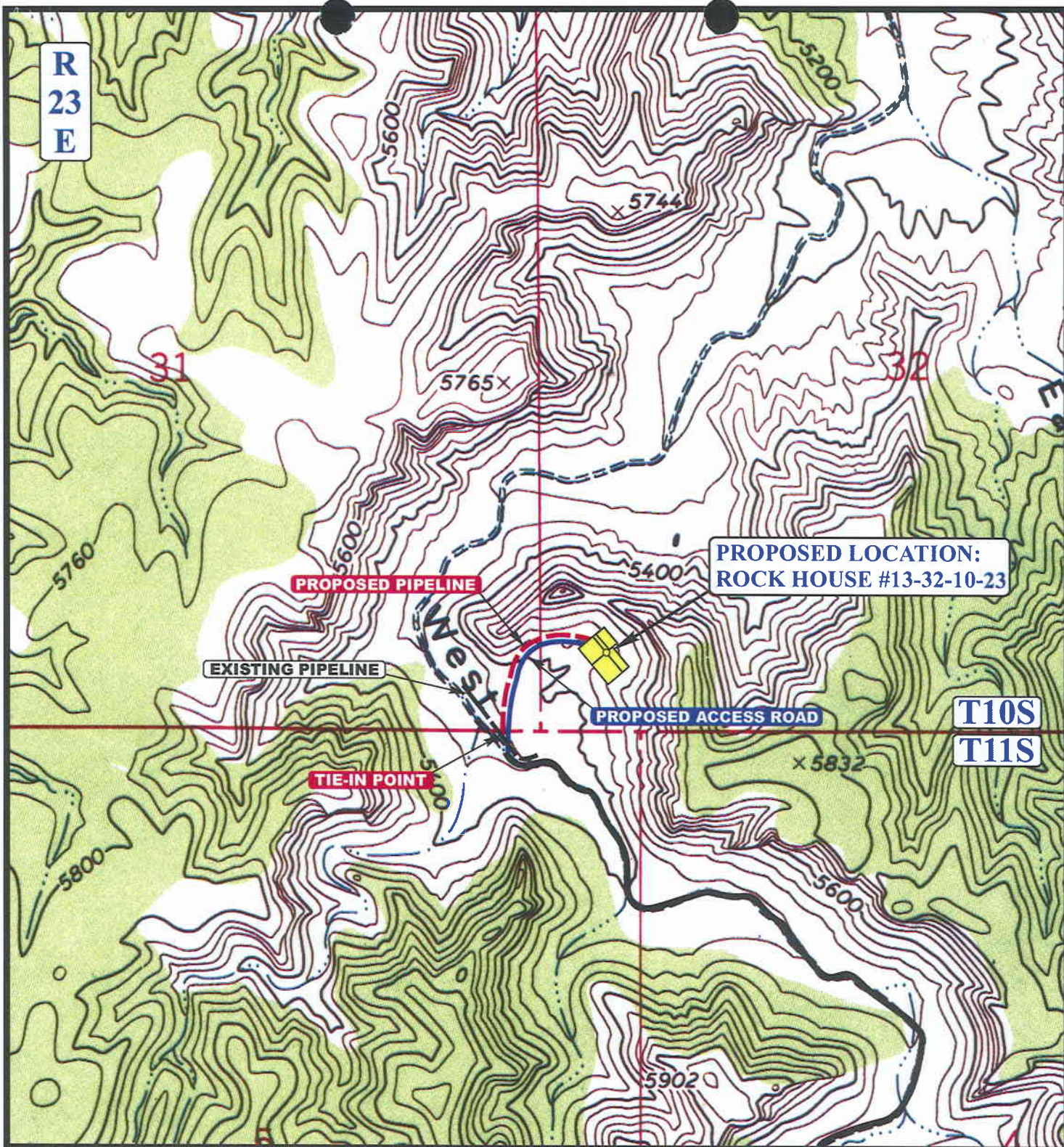
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

02 **18** **05**
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 1,105' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- - - - - PROPOSED PIPELINE



THE HOUSTON EXPLORATION COMPANY

ROCK HOUSE #13-32-10-23
SECTION 32, T10S, R23E, S.L.B.&M.
564' FSL 471' FWL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC **02** **18** **05**
MAP MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 00-00-00



003

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/18/2005

API NO. ASSIGNED: 43-047-36411

WELL NAME: ROCK HOUSE 13-32-10-23
OPERATOR: HOUSTON EXPLORATION CO, (N2525)
CONTACT: BILL RYANPHONE NUMBER: 435-789-0968

PROPOSED LOCATION:

SWSW 32 100S 230E
SURFACE: 0564 FSL 0471 FWL
BOTTOM: 0564 FSL 0471 FWL
UINTAH
NATURAL BUTTES (630)LEASE TYPE: 3 - State
LEASE NUMBER: ML-47063
SURFACE OWNER: 3 - State
PROPOSED FORMATION: CSLGT
COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DLD	4/21/05
Geology		
Surface		

LATITUDE: 39.89971

LONGITUDE: -109.3577

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[] Ind[] Sta[] Fee[]
(No. 104155044)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. T-75514)
☒ RDCC Review (Y/N)
(Date: _____)
☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

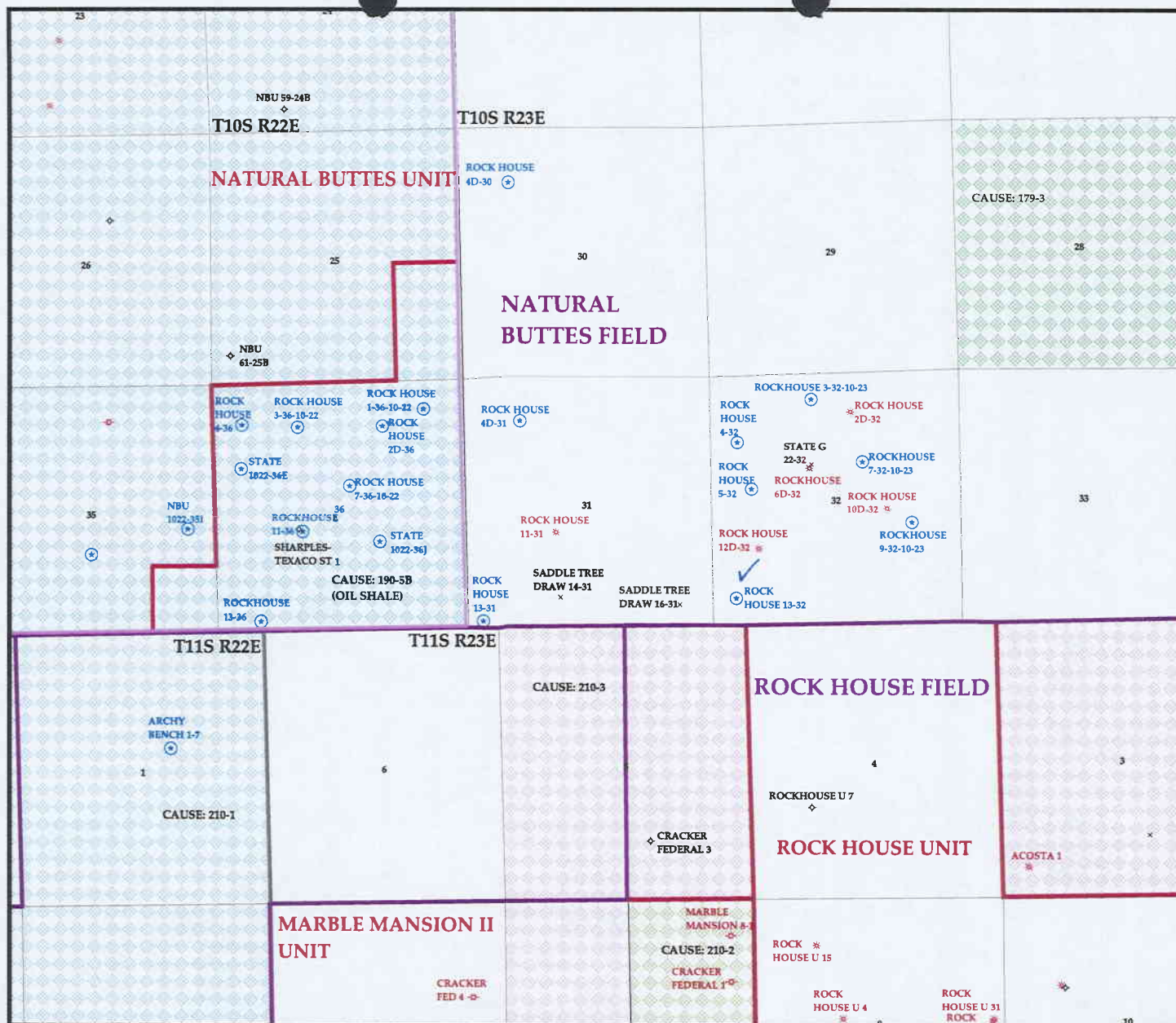
____ R649-2-3.
Unit _____
☒ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
____ R649-3-3. Exception
____ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
____ R649-3-11. Directional Drill

COMMENTS:

Needs Permit (0407-05)

STIPULATIONS:

1- Spacing Slip
2- STATEMENT OF BASIS



OPERATOR- THE HOUSTON EXPL CO (N2525)

SEC. 32 T.10S R.23E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

Wells

- ⊕ GAS INJECTION
- ⊙ GAS STORAGE
- × LOCATION ABANDONED
- ⊕ NEW LOCATION
- ⊕ PLUGGED & ABANDONED
- ⊕ PRODUCING GAS
- ⊕ PRODUCING OIL
- ⊕ SHUT-IN GAS
- ⊕ SHUT-IN OIL
- ⊕ TEMP. ABANDONED
- ⊕ TEST WELL
- ⊕ WATER INJECTION
- ⊕ WATER SUPPLY
- ⊕ WATER DISPOSAL

Units.shp

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Fields.shp

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



PREPARED BY: DIANA WHITNEY
DATE: 21-MARCH-2005

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: The Houston Exploration Company

WELL NAME & NUMBER: Rock House 13-32

API NUMBER: 43-047-36411

LEASE: State FIELD/UNIT: Natural Buttes

LOCATION: 1/4, 1/4 SWSW Sec: 32 TWP: 10S RNG: 23E 564 FSL 471 FWL

LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4, 1/4 LINE; 920 F ANOTHER WELL.

GPS COORD (UTM): X =640402 E; Y =4417707 N SURFACE OWNER: State

PARTICIPANTS

Bart Kettle(DOGM), Ginger Stringham (Agent), Cory Stubbs (Dirt Contractor) and Floyd Bartlett (DWR).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Proposed location is ~76 miles south of Vernal, Uintah County, Utah. The immediate area surrounding the proposed well is steep rocky canyons and dry washes, vegetation is dominated by salt scrub and big sage communities. The proposed location sits in a 8-10" zone, ground cover is sparse and soils are erosive in nature. Slopes are generally steep with shallow soils and large sandstone or shale outcrops. Access to this well will be along existing roads, diversion of several small drainages will be required to build the location. Drainage is to the north entering the White River ~2.5 miles away. There are no observed perennial water sources in close proximity to the well and dry washes appear to only flow during extreme rain events.

SURFACE USE PLAN

CURRENT SURFACE USE: Seasonal sheep grazing, wildlife habitat.

PROPOSED SURFACE DISTURBANCE: 345' x 260', 1056' of new access road.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: Rock House #2D-32, Rock House #6D-32, Rock House #10D-32, Rock House #12D-32, Rock House 11-31 and Rock House #U7.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: Production facilities such as separators, dehydrators, flow meters and tanks will be located on-site. The Sales Gas line will be installed if the well is capable or economic production.

SOURCE OF CONSTRUCTION MATERIAL: On-site

ANCILLARY FACILITIES: None required

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS?
(EXPLAIN): Drilling at this location is not expected to generate public interest.

WASTE MANAGEMENT PLAN:

Garbage and other trash will be contained in an acceptable trash container. Refuse will be transported to an approved sanitary landfill. Sewage will be handled in self-contained portable toilets and contents hauled off location to an authorized facility in accordance with State and local regulations.

Reserve pit will be fenced according to procedure in Application to Drill. A 12-mil liner will be placed in pit, a felt liner may be required if sharp rocks threaten the integrity of the liner. Drill cuttings will be constrained in the reserve pit. Produced liquid hydrocarbons will be constrained in test tanks during completion and testing.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: Construction of the well pad will require alteration of small dry wash's near the head of drainages. Some increased sedimentation in the watershed will occur during the initial flow events, however long term sediment loads caused by the building of this location should be minor when compared to the normal sediment load for the watershed.

FLORA/FAUNA: Mule Deer, Elk, rabbits, rodents, songbirds, raptors, lizards and snakes.

Grasses: Bottlebrush squirreltail, curly galleta, Salina wild rye and Indian Ricegrass. Forbs: Scorpion weed and desert parsley. Shrubs: Wyoming sage, spiny hopsage, black greasewood, shadscale, gray horsebrush, black sage, buckwheat, fringed sage, Utah service berry and Douglas rabbitbrush. Trees: None noted

SOIL TYPE AND CHARACTERISTICS: Light brown sandy clay, sandstone outcrops and shale.

SURFACE FORMATION & CHARACTERISTICS: Green River Formation. Formation has been cut by water, creating steep canyon walls comprised mainly of sandstone and shale outcrops.

EROSION/SEDIMENTATION/STABILITY: Fine soils prone to wind erosion. Soils are erosive in nature, with topsoil absent or a thin layer over most of the area. All soils are subject to significant erosion during rain events sufficient to create flows in washes.

PALEONTOLOGICAL POTENTIAL: None noted

RESERVE PIT

CHARACTERISTICS: 75'x150'x12'

LINER REQUIREMENTS (Site Ranking Form attached): Liner is required

SURFACE RESTORATION/RECLAMATION PLAN

As per surface use agreement

SURFACE AGREEMENT: Per SITLA mineral lease.

CULTURAL RESOURCES/ARCHAEOLOGY: To be submitted.

OTHER OBSERVATIONS/COMMENTS

Diversion of several small drainages may be required to prevent dry washes from draining onto the location. Excavation of pit is likely to expose sharp rocks, felt liner may be require to prevent liner from being punctured. Site is classified as high value deer winter range, high value elk winter range. No raptor data available, no nests or whitewash observed during on-site. No significant wildlife concerns.

ATTACHMENTS

Photos of this location were taken and placed on file.

Bart Kettle
DOGM REPRESENTATIVE

April 13, 2005 9:00 A.M.
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>20</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

Final Score 25 (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required, consider criteria for excluding pit use.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.



**DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS**

OPERATOR: The Houston Exploration Company
WELL NAME & NUMBER: Rock House 13-32
API NUMBER: 43-047-36411
LOCATION: 1/4,1/4 SWSW Sec:32 TWP:10S RNG:23E 564 FSL 471 FWL

Geology/Ground Water:

Houston proposes to set 2,000' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 4,200'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this site is the Green River Formation. The Green River Formation is made up of interbedded limestones, shales and sandstones. The proposed casing and cementing program should adequately protect any underground sources of useable water.

Reviewer: Brad Hill **Date:** 04-14-05

Surface:

On-site conducted April 7, 2005. In attendance: Bart Kettle (DOGM), Ginger Stringham (Agent), Cory Stubbs (Dirt Contractor) and Floyd Bartlett (DWR), invited but choosing not to attend Ed Bonner (SITLA).

Proposed location lies within arid steep canyon regions of Natural Butts field. Rain events are rare, but heavy rain events can cause significant flows in dry washes. Per surface use proposal in Application for Permit to Drill reserve pit will be lined and fenced on three sides while well is being drilled, with the fourth side being fenced immediately upon completion of drilling. A felt liner may be required to prevent sharp rocks from puncturing liner. No significant wildlife concerns exist, DWR is not asking for season restrictions on drilling activities.

Reviewer: Bart Kettle **Date:** April 13, 2005

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner shall be installed in the reserve pit (12 mil. Minimum), felt liner will be required to prevent rock punctures of the liner.
2. Drainages shall be diverted around location.
3. The location shall be bermed to prevent fluids from entering or leaving the well pad.

Well name:

04-05 Houston Rock House 13-32-10-23Operator: **The Houston Exploration Company**String type: **Surface**

Project ID:

43-047-36411

Location: **Uintah County****Design parameters:****Collapse**

Mud weight: 8.400 ppg

Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No

Surface temperature: 65 °F

Bottom hole temperature: 93 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 250 ft

Cement top: Surface

Burst

Max anticipated surface

pressure: 1,760 psi

Internal gradient: 0.120 psi/ft

Calculated BHP 2,000 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.50 (B)

Tension is based on buoyed weight.

Neutral point: 1,749 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 7,695 ft

Next mud weight: 10.000 ppg

Next setting BHP: 3,997 psi

Fracture mud wt: 19.250 ppg

Fracture depth: 2,000 ft

Injection pressure 2,000 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2000	8.625	36.00	J-55	ST&C	2000	2000	7.7	143.5
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	873	3450	3.954	2000	4460	2.23	63	434	6.89 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & MiningPhone: 801-538-5280
FAX: 810-359-3940Date: April 18, 2005
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 2000 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

04-05 Houston Rock House 13-32-10-23Operator: **The Houston Exploration Company**String type: **Production**

Project ID:

43-047-36411Location: **Uintah County****Design parameters:****Collapse**

Mud weight: 10.000 ppg

Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No

Surface temperature: 65 °F

Bottom hole temperature: 173 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 1,500 ft

Cement top: 3,884 ft

Burst

Max anticipated surface

pressure: 3,074 psi

Internal gradient: 0.120 psi/ft

Calculated BHP 3,997 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 6,545 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	7695	4.5	11.60	N-80	LT&C	7695	7695	3.875	178.4
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3997	6350	1.589	3997	7780	1.95	76	223	2.94 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & MiningPhone: 801-538-5280
FAX: 810-359-3940Date: April 18, 2005
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 7695 ft, a mud weight of 10 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

05 Houston Rock House 13-10-23

Casing Schematic

Green River

Surface

8-5/8"
MW 8.4
Frac 19.3

TOC @
0.

w/15% Washout

1230 ToC Tail

Surface
2000. MD

BAD

$$(.052)(7695)(10) = 4001$$

Anticipate < 3,000

Gas

$$(.12)(7695) = 923$$

$$M_{usp} = 3078$$

Fluid

$$(.22)(7695) = 1693$$

$$M_{ASP} = 2308$$

BOP - 3,000 ✓

Seaf Csg - 4460 =

$$70\% = 3122$$

Propose = 1500 psi

Max pressure @ shoe = 1747

Test to 1700# ✓

✓ Adequate DWD 4/21/05

4-1/2"
MW 10.

Production
7695. MD

TOC @
3884.

3447 Wasatch

4200 Bmsw

5347 Mesaverde

w/15% Washout
2500' w/ 2% Washout

✓ Propose TOC = 2500'

From: Ed Bonner
To: Whitney, Diana
Date: 4/21/2005 2:34:20 PM
Subject: Well Clearance

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

The Houston Exploration Company

- Buck Camp 2-2
- Buck Camp 4-36
- Hanging Rock 1-32
- Hanging Rock 16-32
- Rockhouse 3-32-10-23
- Rockhouse 7-32-10-23
- Rockhouse 9-32-10-23
- Rock House 4-32
- Rock House 5-32
- Rock House 13-32 ✓
- Rock House 1-36-10-22
- Rock House 3-36-10-22
- Rock House 7-36-10-22
- Rock House 12-36-10-22

If you have any questions regarding this matter please give me a call.

CC: Garrison, LaVonne; ginger_stringham@yahoo.com; Hill, Brad; Hunt, Gil

**State of Utah****Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

April 21, 2005

The Houston Exploration Company
1100 Louisiana, Suite 2000
Houston, Texas 77002

Re: Rock House 13-32-10-23 Well, 564' FSL, 471' FWL, SW SW, Sec. 32,
T. 10 South, R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36411.

Sincerely,

A handwritten signature in black ink, appearing to read "John R. Baza".

for

John R. Baza
Associate Director

jc
Enclosures

cc: Uintah County Assessor
SITLA

Operator: The Houston Exploration Company
Well Name & Number Rock House 13-32-10-23
API Number: 43-047-36411
Lease: ML-47063

Location: SW SW **Sec.** 32 **T.** 10 South **R.** 23 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

Page 2

API # 43-047-36411

April 21, 2005

6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Request to Transfer Application or Permit to Drill

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

Well name:	Rock House 13-32-10-23
API number:	4304736411
Location:	Qtr-Qtr: SWSW Section: 32 Township: 10S Range: 23E
Company that filed original application:	Houston Exploration Company
Date original permit was issued:	04/21/2005
Company that permit was issued to:	Houston Exploration Company

Check one	Desired Action:
<input type="checkbox"/>	Transfer pending (unapproved) Application for Permit to Drill to new operator
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
<input checked="" type="checkbox"/>	Transfer approved Application for Permit to Drill to new operator
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.	Yes	No
If located on private land, has the ownership changed?		✓
<input type="checkbox"/> If so, has the surface agreement been updated?		✓
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?		✓
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?		✓
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?		✓
Has the approved source of water for drilling changed?		✓
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?		✓
Is bonding still in place, which covers this proposed well? Bond No. <u>RLB0008031</u>	✓	

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) ALEX CAMPBELL Title VICE PRESIDENT OF LAND
Signature [Signature] Date 09/19/2005
Representing (company name) ENDURING RESOURCES, LLC

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

(3/2004)

RECEIVED
SEP 26 2005

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER _____

2. NAME OF OPERATOR:

The Houston Exploration Company *N2525*

3. ADDRESS OF OPERATOR:

1100 Louisiana, Ste 2000

CITY

Houston

STATE

TX

ZIP

77002

PHONE NUMBER:

(713) 830-6938

4. LOCATION OF WELL

FOOTAGES AT SURFACE: See Attached List

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION



NOTICE OF INTENT
(Submit in Duplicate)

Approximate date work will start:

Effective

9/1/05



SUBSEQUENT REPORT
(Submit Original Form Only)

Date of work completion:



ACIDIZE



ALTER CASING



CASING REPAIR



CHANGE TO PREVIOUS PLANS



CHANGE TUBING



CHANGE WELL NAME



CHANGE WELL STATUS



COMMINGLE PRODUCING FORMATIONS



CONVERT WELL TYPE



DEEPEN



FRACTURE TREAT



NEW CONSTRUCTION



OPERATOR CHANGE 9/1/05



PLUG AND ABANDON



PLUG BACK



PRODUCTION (START/RESUME)



RECLAMATION OF WELL SITE



RECOMPLETE - DIFFERENT FORMATION



REPERFORATE CURRENT FORMATION



SIDETRACK TO REPAIR WELL



TEMPORARILY ABANDON



TUBING REPAIR



VENT OR FLARE



WATER DISPOSAL



WATER SHUT-OFF



OTHER: _____

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Enduring Resources, LLC
475 17th Street, Ste 1500
Denver, CO 80202

Operator #N 2750

Utah State Bond #RLB0008031

Contact: Frank Hutto 303-350-5102

Frank Hutto
Signature & Title

Date

9/19/05

VP. OPS

NAME (PLEASE PRINT) Joanne Hresko

TITLE Vice President/General Manager Onshore

SIGNATURE *Joanne Hresko*

DATE 9/2/2005

(This space for State use only)

APPROVED *9/29/2005*

Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

RECEIVED

SEP 26 2005

DIV. OF OIL, GAS & MINING

TRANSFER OF OPERATOR

NATURAL BUTTES FIELD, UINTAH COUNTY, UTAH DRILLED WELLS, TO BE OPERATED BY ENDURING RESOURCES, LLC

API Well Number	Well Name	Well Status	Qtr/Qtr	Section	Township-Range	FNL/FSL	FEL/FWL	Latitude	Longitude
43047355550000	Bonanza #10D-18	SI	NWSE	18	9S-24E	1437 S	1800 E	40.03340	-109.25282
43047355510000	Bonanza #12D-12	Producing	NWSW	12	9S-23E	1556 S	867 W	40.04788	-109.28055
43047356930000	Bonanza #2D-27	Producing	NWNE	27	9S-24E	1064 N	1824 E	40.01123	-109.19600
43047359080000	Bonanza 10-11	Producing	NWSE	11	9S-23E	1991 S	1755 E	40.04866	-109.29035
43047356920000	Bonanza 10D-8	SI	NWSE	8	9S-24E	1510 S	1768 E	40.04789	-109.23383
43047355520000	Bonanza 1-11	Producing	NWNW	11	9S-23E	990 N	990 E	40.05431	-109.29891
43047359290000	Bonanza 12-20	Drlg	NWSW	20	9S-25E	1998 S	825 W	40.01947	-109.13150
43047-359210000	Bonanza 12A-18	Producing	NWSW	18	9S-24E	2067 S	813 W	40.03430	-109.26242
43047359090000	Bonanza 14-12	Evaluating	SESW	12	9S-23E	505 S	2001 W	40.04455	-109.27693
43047359940000	Bonanza 4-18	WOPL	NWNW	18	9S-24E	706 N	682 W	40.04119	-109.26288
43047-356220000	Bonanza 4D-16	Producing	NWNW	16	9S-24E	1152 N	1209 W	40.04000	-109.22349
43047358600000	Bonanza 6-36	Producing	SESW	36	9S-24E	2217 N	2009 W	39.99336	-109.16393
43047359120000	Bonanza 6B-8	Producing	SESW	8	9S-24E	2017 N	1878 W	40.05213	-109.24004
43047359200000	Bonanza 8D-7	Producing	SENE	7	9S-24E	1992 N	477 E	40.05220	-109.24845
43047359050000	Buck Canyon 15-24	P&A	SW/SE	24	12S-21E	700 S	2139 E	39.75386	-109.5134
43047348150000	Cartwright 2-35	TA	NWNE	35	9S-24E	858 N	2104 E	39.99733	-109.17882
43047332510000	East Bench 11-16	WOC	NESW	16	11S-22E	S S	1980 W	39.85889	-109.46172
43047347560000	Hoss 15	Producing	SWSE	20	9S-25E	1291 S	2088 E	40.01767	-109.12236
43047348140000	Little Joe 11-7	TA	NENE	7	9S-25E	710 N	644 E	40.05562	-109.13601
43047361500000	Rainbow 14-17	WOC	SESW	17	11S-24E	780 S	1726 W	39.85689	-109.25731
43047361840000	Rainbow 2-16	WOC	NWNE	16	11S-24E	837 N	2136 E	39.86708	-109.23348
43047353630000	Southman Canyon 10D-36	Producing	NWSE	36	9S-23E	1757 S	1650 E	39.98991	-109.27148
43047353640000	Southman Canyon 12D-36	Producing	NWSW	36	9S-23E	1518 S	1069 W	39.98977	-109.28040
43047357700000	Southman Canyon 14C-36	Producing	SESW	36	9S-23E	648 S	1717 W	39.98689	-109.27716
43047357720000	Southman Canyon 16C-36	Producing	SESE	36	9S-23E	542 S	736 E	39.98607	-109.26912
43047356910000	Southman Canyon 2D-30	Producing	NWNE	30	9S-24E	1171 N	1502 E	40.01111	-109.25269
43047353650000	Southman Canyon 2D-36	Producing	NWNE	36	9S-23E	960 N	1751 E	39.99711	-109.27228
43047353610000	Southman Canyon 4D-36	Producing	NWNW	36	9S-23E	1163 N	1137 W	39.99623	-109.28012
43047353620000	Southman Canyon 6D-36	Producing	SESW	36	9S-23E	2466 N	2271 W	39.99336	-109.27635
43047357710000	Southman Canyon 8C-36	Producing	SENE	36	9S-23E	2185 N	694 E	39.99358	-109.26783
43047355590000	Thurston Federal #12-1	Producing	SESW	12	12S-21E	692 S	1959 W	39.78280	-109.51768

TRANSFER OF OPERATOR BLM APPROVED WELLS #2

PREVIOUS OPERATOR: Houston Exploration Company

NEW OPERATOR: Enduring Resources, LLC

EFFECTIVE DATE: September 1st, 2005

Well Name	Q/Q	Sec	T	R	Lease Number	Footages f/ Sec Lines - SL	API Number
Asphalt Wash 13-7	SW/SW	7	11S	24E	UTU-73910	739' FSL & 629' FWL	43-047-36234
Bonanza 16-18	SE/SE	18	9S	24E	UTU-73457	861' FSL & 715' FEL	43-047-35992
Bonanza 4-11	NW/NW	11	9S	23E	UTU-74426	671' FNL & 729' FWL	43-047-35968
Bonanza 10D-12	NW/SE	12	9S	23E	UTU-74426	1,785' FSL & 1,855' FEL	43-047-35919
Bonanza 12-11	NW/SW	11	9S	23E	UTU-74426	1748' FSL & 420' FWL	43-047-35916
Bonanza 14-18	SE/SW	18	9S	24E	UTU-73457	472' FSL & 2,010' FWL	43-047-35993
Bonanza 14A-8	SE/SW	8	9S	24E	UTU-73457	907' FSL & 2,298' FWL	43-047-35952
Bonanza 16A-27	SE/SE	27	9S	24E	UTU-80571	862' FSL & 581' FEL	43-047-35923
Bonanza 2-21	NW/NE	21	8S	25E	UTU-73470	1,207' FNL & 1,541' FEL	43-047-35926
Bonanza 3-8	NW/NW	8	9S	24E	UTU-73457	573' FNL & 1,518' FWL	43-047-35966
Bonanza 6D-7	SE NW	7	9S	24E	UTU-73457	2,310' FNL & 2,310' FWL	43-047-35690
Bonanza 8-11	SE/NE	11	9S	23E	UTU-74426	2,163 FNL & 615' FEL	43-047-35907
Bonanza 8B-27	SE/NE	27	9S	24E	UTU-80571	1,830' FNL & 735' FEL	43-047-35923
Buck Camp 4-25	NW/NW	25	11S	22E	UTU-74424	804 FNL & 695 FWL	43-047-36276
Buck Camp 4-26	NW/NW	26	11S	22E	UTU-74974	660' FNL & 660' FWL	43-047-36274
Buck Canyon 1-24	NE/NE	24	12S	21E	UTU-73440	488' FNL & 833' FEL	43-047-35606
Buck Canyon 15-24	SW/SE	24	12S	21E	UTU-73440	700' FSL & 2,139' FEL	43-047-35905
Buck Canyon 7-24	SW/NE	24	12S	21E	UTU-73440	2,041' FNL & 2,171' FEL	43-047-35904
Buck Canyon 9-24	NE/SE	24	12S	21E	UTU-73440	1784' FSL & 855' FEL	43-047-35903
Rainbow 1-17	NE/NE	17	11S	24E	UTU-73920	795' FNL & 586' FEL	43-047-36151
Southman Canyon #14-30	SE/SW	30	9S	24E	UTU-80571	740' FSL & 1,737' FWL	43-047-35914
Southman Canyon #4C-30	NW/NW	30	9S	24E	UTU-80571	676' FNL & 568' FWL	43-047-35913
Southman Canyon 12-30	NW/SW	30	9S	24E	UTU-80571	1,912' FSL & 513' FWL	43-047-36104
Southman Canyon 8-30	SE/NE	30	9S	24E	UTU-80571	1,875' FNL & 818' FEL	43-047-35994
Southman Canyon 9-30	NE/SE	30	9S	24E	UTU-80571	2,089' FSL & 831' FEL	43-047-36019

★ 43047-35906

• 43047-35953

TRANSFER OF OPERATOR STATE OF UTAH APPROVED AND PENDING

43

PREVIOUS OPERATOR: Houston Exploration Company

NEW OPERATOR: Enduring Resources, LLC

EFFECTIVE DATE: September 1st, 2005

Well Name	Q/Q	Sec	T	R	Lease Number	Footages f/ Sec Lines - SL	API Number	FIELD	Well Type
Asphalt Wash 11-16-11-24	NESW	16	11S	24E	ML-73921	2000 FSL & 1900 FWL	43-047-37088	Undesignated	Gas
Asphalt Wash 12-16-11-24	NWSW	16	11S	24E	ML-47080	2060 FSL & 839 FWL	43-047-36873	Undesignated	Gas
Asphalt Wash 14-16-11-24	SESW	16	11S	24E	ML-47080	537 FSL & 2140 FWL	43-047-36876	Undesignated	Gas
Asphalt Wash 3-16-11-24	NENW	16	11S	24E	ML-47080	825 FNL & 2116 FWL	43-047-36886	Undesignated	Gas
Asphalt Wash 4-16-11-24	NWNW	16	11S	24E	ML-47080	521 FNL & 766 FWL	43-047-36885	Undesignated	Gas
Asphalt Wash 5-16-11-24	SWNW	16	11S	24E	ML-47080	1880 FNL & 630 FWL	43-047-37089	Undesignated	Gas
Asphalt Wash 7-16-11-24	SWNE	16	11S	24E	ML-47080	1781 FNL & 1676 FEL	43-047-36874	Undesignated	Gas
Asphalt Wash 8-16-11-24	SENE	16	11S	24E	ML-47080	1905 FNL & 642 FEL	43-047-36875	Undesignated	Gas
Bonanza 14-20	SESW	20	9S	25E	ML-45558	838' FSL & 1,922' FWL	43-047-35930	Chapita Wells	Gas
Bonanza 4-20	NWNW	20	9S	25E	ML-45558	933' FNL & 583 FWL	43-047-35924	Chapita Wells	Gas
Bonanza 4-29	NWNW	29	9S	25E	ML-45559	600' FNL & 596' FWL	43-047-36010	Chapita Wells	Gas
Bonanza 4-36	NWNW	36	9S	24E	ML-46527	258' FNL & 862' FWL	43-047-35861	Natural Buttes	Gas
Bonanza 6-20	SENW	20	9S	25E	ML-45558	2,178' FNL & 1,839' FWL	43-047-35928	Chapita Wells	Gas
Buck Canyon 9-16-12-21	NESE	16	12S	21E	ML-47085	1980' FSL & 660' FEL	43-047-37091	Buck Canyon	Gas
Buck Canyon 11-16-12-21	NESW	16	12S	21W	ML-47085	NA	43-047-37119	Undesignated	Gas
Buck Canyon 13-16-21-21	SWSW	16	21S	21W	ML-47085	NA	43-047-37118	Undesignated	Gas
Buck Canyon 15-16-12-21	SWSE	16	12S	21W	ML-47085	NA	43-047-37120	Buck Canyon	Gas
East Bench 1-16	NENE	16	11S	22E	ML-46911	660' FNL & 660' FEL	43-047-36126	Undesignated	Gas
East Bench 15-16	SWSE	16	11S	22E	ML-46911	545' FSL & 1,848' FEL	43-047-36128	Undesignated	Gas
East Bench 3-16	NENW	16	11S	22E	ML-46911	832' FNL & 1,978' FWL	43-047-36125	Undesignated	Gas
East Bench 7-16	SWNE	16	11S	22E	ML-46911	1,909' FNL & 1,643' FEL	43-047-36127	Undesignated	Gas
East Bench 12-16-11-22	NWSW	16	11S	22E	ML-46911	1862 FSL & 838 FEL	43-047-37128	Undesignated	Gas
East Bench 13-16-11-22	SWSW	16	11S	22E	ML-46911	880 FSL & 750 FWL	43-047-37130	Undesignated	Gas
East Bench 14-16-11-22	SESW	16	11S	22E	ML-46911	848 FSL & 1930 FWL	43-047-37122	Undesignated	Gas
East Bench 16-16-11-22	SESE	16	11S	22E	ML-46911	663 FSL & 1055 FEL	43-047-37121	Undesignated	Gas
East Bench 2-16-11-22	NWNE	16	11S	22E	ML-46911	705 FNL & 2077 FEL	43-047-37125	Undesignated	Gas
East Bench 4-16-11-22	NWNW	16	11S	22E	ML-46911	760 FNL & 860 FWL	43-047-37126	Undesignated	Gas
East Bench 5-16-11-22	SWNW	16	11S	22E	ML-46911	1980 FNL & 758 FWL	43-047-37129	Undesignated	Gas
East Bench 6-16-11-22	SENW	16	11S	22E	ML-46911	1887 FNL & 2138 FWL	43-047-37124	Undesignated	Gas
East Bench 8-16-11-22	SENE	16	11S	22E	ML-46911	1880 FNL & 780 FEL	43-047-37127	Undesignated	Gas
East Bench 9-16-11-22	NESE	16	11S	22E	ML-46911	2035 FSL & 1422 FEL	43-047-37123	Undesignated	Gas
Gusher 6-2	SENW	2	6S	19E	ML-49144	1550 FNL & 1025 FWL	43-047-36963	Moffit Canal	Oil
Hanging Rock 1-32	NENE	32	11S	23E	ML-47079	542' FNL & 690' FEL	43-047-36309	Undesignated	Gas
Little Pack Mountain 1-16	NWNW	16	12S	20E	ML-47082	609 FNL & 688 FEL	43-047-36981	Wildcat	Gas
Little Pack Mountain 7-32	SWNE	32	12S	20E	ML-47083	1792 FNL & 1797 FEL	43-047-36980	Wildcat	Gas
Rock House 12-36-10-23	NWSW	36	10S	23E	ML-47907	1844 FSL & 755 FWL	43-047-36534	Natural Buttes	Gas
Rock House 13-32-10-23	SWSW	32	10S	23E	ML-47063	564 FSL & 471 FWL	43-047-36411	Natural Buttes	Gas
Rock House 1-36-10-22	NENE	36	10S	22E	ML-47061	620 FNL & 850 FEL	43-047-36408	Natural Buttes	Gas
Rock House 3-36-10-22	NENW	36	10S	22E	ML-47061	934 FNL & 1783 FWL	43-047-36407	Natural Buttes	Gas
Rock House 4-32-10-23	SWNW	32	10S	23E	ML-47063	1406 FNL & 562 FWL	43-047-36412	Natural Buttes	Gas
Rock House 7-36-10-22	SWNE	36	10S	22E	ML-47061	2209 FNL & 2445 FEL	43-047-36409	Natural Buttes	Gas
Rock House 9-32-10-23	NESE	32	10S	23E	ML-47063	2008 FSL & 1042 FEL	43-047-36337	Natural Buttes	Gas
Rockhouse #13-36	SWSW	36	10S	22E	ML-46907	486 FSL & 844' FWL	43-047-35902	Natural Buttes	Gas
Rockhouse 16-2	SESE	2	11S	23E	ML-47078	909' FSL & 748' FEL	43-047-36152	Rockhouse	Gas
Seep Springs 10-13-12-24	NWSE	13	12S	24E	ML-49275	1950 FSL & 1802 FEL	43-047-36634	Undesignated	Gas
Seep Springs 1-13-12-24	NENE	13	12S	24E	ML-49275	753 FNL & 487 FEL	43-047-36628	Undesignated	Gas
Seep Springs 15-11-12-24	SWSE	11	12S	24E	ML-49274	829 FSL & 2178 FEL	43-047-36626	Undesignated	Gas
Seep Springs 15-13-12-24	SWSE	13	12S	24E	ML-49275	622 FSL & 1806 FEL	43-047-36630	Undesignated	Gas
Seep Springs 16-11-12-24	SESE	11	12S	24E	ML-49274	659 FSL & 466 FEL	43-047-36625	Undesignated	Gas
Seep Springs 16-13-12-24	SESE	13	12S	24E	ML-49275	686 FNL & 640 FEL	43-047-36629	Undesignated	Gas
Seep Springs 2-13-12-24	NWNE	13	12S	24E	ML-49275	465 FNL & 1807 FEL	43-047-36627	Undesignated	Gas
Seep Springs 7-13-12-24	SWNE	13	12S	24E	ML-49275	FNL & FEL	43-047-36631	Undesignated	Gas
Seep Springs 8-13-12-24	SENE	13	12S	24E	ML-49275	1969 FNL & 642 FEL	43-047-36632	Undesignated	Gas
Seep Springs 9-13-12-24	NESE	13	12S	24E	ML-49275	663 FSL & 1960 FEL	43-047-36633	Undesignated	Gas
Southman Canyon 11-36-9-23	NESW	36	9S	23E	ML-47782	1965 FSL & 1953 FWL	43-047-36535	Natural Buttes	Gas
Southman Canyon 13-36-9-23	SWSW	36	9S	23E	ML-47782	467 FSL & 823 FWL	43-047-36532	Natural Buttes	Gas

TRANSFER OF OPERATOR STATE OF UTAH APPROVED AND PENDING

PREVIOUS OPERATOR: Houston Exploration Company

NEW OPERATOR: Enduring Resources, LLC

EFFECTIVE DATE: September 1st, 2005

Well Name	Q/Q	Sec	T	R	Lease Number	Footages f/ Sec Lines - SL	API Number	FIELD	Well Type
Southman Canyon 1-36-9-23	NENE	36	9S	23E	ML-47782	681 FNL & 496 FEL	43-047-36537	Natural Buttes	Gas
Southman Canyon 15-36-9-23	SWSE	36	9S	23E	ML-47782	529 FSL & 1784 FEL	43-047-36529	Natural Buttes	Gas
Southman Canyon 3-36-9-23	NENW	36	9S	23E	ML-47782	464 FNL & 1815 FWL	43-047-36530	Natural Buttes	Gas
Southman Canyon 5-36-9-23	SWNW	36	9S	23E	ML-47782	2028 FNL & 499 FWL	43-047-36531	Natural Buttes	Gas
Southman Canyon 7-36-9-23	SENE	36	9S	23E	ML-47782	2184 FNL & 1994 FEL	43-047-36536	Natural Buttes	Gas
Southman Canyon 9-36-9-23	NESE	36	9S	23E	ML-47782	1978 FNL & 657 FEL	43-047-36533	Natural Buttes	Gas

TRANSFER OF OPERATOR BLM PENDING WELLS

PREVIOUS OPERATOR: Houston Exploration Company

NEW OPERATOR: Enduring Resources, LLC

EFFECTIVE DATE: September 1st, 2005

Well Name	Q/Q	Sec	T	R	Lease Number	Footages f/ Sec Lines - SL	API Number
Asphalt Wash 13-6	SW/SW	6	11S	24E	UTU-73919	400' FSL & 550' FWL	
Asphalt Wash 10-9-11-24	NW SE	9	11S	24E	UTU-73920	1846 FSL & 1942 FEL	43-047-37071
Asphalt Wash 11-9-11-24	NE SW	9	11S	24E	UTU-73920	1799 FSL & 1782 FWL	43-047-37073
Asphalt Wash 12-6-11-24	NW SW	6	11S	24E	UTU-73919	1844 FSL & 683 FWL	43-047-37066
Asphalt Wash 14-6-11-24	SE SW	6	11S	24E	UTU-73919	704 FSL & 2123 FWL	43-047-37067
Asphalt Wash 14-9-11-24	SE SW	9	11S	24E	UTU-73920	460 FSL & 2115 FWL	43-047-37076
Asphalt Wash 15-9-11-24	SW SE	9	11S	24E	UTU-73920	804 FSL & 1990 FEL	43-047-37074
Asphalt Wash 16-9-11-24	SE SE	9	11S	24E	UTU-73920	826 FSL & 472 FEL	43-047-37075
Asphalt Wash 2-6-11-24	NW NE	6	11S	24E	UTU-73919	735 FNL & 1590 FEL	43-047-37061
Asphalt Wash 2-7-11-24	NW NE	7	11S	24E	UTU-73919	621 FNL & 2462 FEL	43-047-37068
Asphalt Wash 2-9-11-24	NW NE	9	11S	24E	UTU-73920	829 FNL & 1774 FEL	43-047-37070
Asphalt Wash 3-6-11-24	NE NW	6	11S	24E	UTU-73919	792 FNL & 1925 FWL	43-047-37062
Asphalt Wash 4-6-11-24	NW NW	6	11S	24E	UTU-73919	820 FNL & 1007 FWL	43-047-37063
Asphalt Wash 5-6-11-24	SW NW	6	11S	24E	UTU-73919	1738 FNL & 716 FWL	43-047-37064
Asphalt Wash 6-7-11-24	SE NW	7	11S	24E	UTU-73919	2013 FNL & 2241 FWL	43-047-37069
Asphalt Wash 7-6-11-24	SW NE	6	11S	24E	UTU-73919	1616 FNL & 1615 FEL	43-047-37065
Asphalt Wash 7-9-11-24	SE NE	9	11S	24E	UTU-73920	1883 FNL & 1854 FEL	43-047-37072
Asphalt Wash 1-7-11-24	NE NE	7	11S	24E	UTU-73919	426 FNL & 270 FEL	43-047-37084
Asphalt Wash 4-7-11-24	NW NW	7	11S	24E	UTU-73919	856 FNL & 860 FWL	43-047-37085
Asphalt Wash 7-7-11-24	SW NE	7	11S	24E	UTU-73919	1909 FNL & 1893 FEL	43-047-37087
Asphalt Wash 8-7-11-24	SE NE	7	11S	24E	UTU-73919	1998 FNL & 683 FEL	43-047-37086
Bonanza 4-7	NW/NW	7	9S	24E	UTU-73457	809' FNL & 670' FWL	43-047-36017
Bonanza 8-17	SW/NE	17	9S	24E	UTU-73457	1865' FNL & 584' FEL	43-047-36041
Bonanza 11-11-9-23	NE SW	11	9S	23E	UTU-74426	2036 FSL & 2043 FWL	43-047-36649
Bonanza 11-12-9-23	NE SW	12	9S	23E	UTU-74426	1799 FSL & 1948 FWL	43-047-36655
Bonanza 11-18-9-24	NE SW	18	9S	24E	UTU-73457	1785 FSL & 2133 FWL	43-047-36637
Bonanza 12-23-9-24	NW/SW	23	9S	24E	UTU-81311	1882 FSL & 699 FWL	43-047-36640
Bonanza 12-35	NW/SW	35	9S	24E	UTU 73459	1374' FSL & 858' FWL	43-047-36020
Bonanza 13-11-9-23	SW SW	11	9S	23E	UTU-74426	463 FSL & 773 FWL	43-047-36650
Bonanza 13-12-9-23	SW SW	12	9S	23E	UTU-74426	661 FSL & 656 FWL	43-047-36528
Bonanza 13-18-9-24	SW SW	18	9S	24E	UTU-73457	767 FSL & 583 FWL	43-047-36638
Bonanza 14-11-9-23	SE SW	11	9S	23E	UTU-74426	756 FSL & 1859 FWL	43-047-36651
Bonanza 14-23-9-24	SE/SW	23	9S	24E	UTU-81311	560 FSL & 1878 FWL	43-047-36641
Bonanza 15-11-9-23	SW SE	11	9S	23E	UTU-74426	660 FSL & 1980 FEL	43-047-36652
Bonanza 15-12-9-23	SW SE	12	9S	23E	UTU-74426	607 FSL & 1920 FEL	43-047-36656
Bonanza 15-18-9-24	SW SE	18	9S	24E	UTU-73457	463 FSL & 2162 FEL	43-047-36639
Bonanza 16-12-9-23	SE SE	12	9S	23E	UTU-74426	855 FSL & 536 FEL	43-047-36657
Bonanza 16-8	SE/SE	8	9S	24E	UTU-73457	588' FSL & 524' FEL	43-047-36101
Bonanza 2-11-9-23	NW NE	11	9S	23E	UTU 74426	664 FNL & 1925 FEL	43-047-36643
Bonanza 2-12-9-23	NW NE	12	9S	23E	UTU-74426	743 FNL & 1962 FEL	43-047-36527
Bonanza 3-11-9-23	NE NW	11	9S	23E	UTU 74426	499 FNL & 1898 FWL	43-047-36644
Bonanza 3-12-9-23	NE NW	12	9S	23E	UTU-74426	734 FNL & 1866 FWL	43-047-36524
Bonanza 4-35	NW/NW	35	9S	24E	UTU 73459	789' FNL & 807' FWL	43-047-35925
Bonanza 5-11-9-23	SW NW	11	9S	23E	UTU 74426	1794 FNL & 609 FWL	43-047-36645

TRANSFER OF OPERATOR BLM PENDING WELLS

PREVIOUS OPERATOR: Houston Exploration Company

NEW OPERATOR: Enduring Resources, LLC

EFFECTIVE DATE: September 1st, 2005

Well Name	Q/Q	Sec	T	R	Lease Number	Footages f/ Sec Lines - SL	API Number
Bonanza 5-12-9-23	SW NW	12	9S	23E	UTU-74426	1996 FNL & 558 FWL	43-047-36526
Bonanza 5-18-9-24	SW NW	18	9S	24E	UTU-73457	2147 FNL & 662 FWL	43-047-36635
Bonanza 5-22	SW/NW	22	8S	25E	UTU-73470	1,932' FNL & 415' FWL	43-047-35918
Bonanza 5-24-9-24	SW/NW	24	9S	24E	UTU-73458	2167 FNL & 714 FWL	43-047-36642
Bonanza 6-11-9-23	SE NW	11	9S	23E	UTU-74426	2069 FNL & 1801 FWL	43-047-36646
Bonanza 6-12-9-23	SE NW	12	9S	23E	UTU-74426	2114 FNL & 1871 FWL	43-047-36525
Bonanza 7-11-9-23	SW NE	11	9S	23E	UTU-74426	2060 FNL & 2134 FEL	43-047-36647
Bonanza 7-12-9-23	SW NE	12	9S	23E	UTU-74426	2065 FNL & 2159 FEL	43-047-36653
Bonanza 8-35	SENE	35	9S	24E	UTU-73459	1987' FNL & 909' FEL	43-047-36105
Bonanza 9-11-9-23	NE SE	11	9S	23E	UTU-74426	2008 FSL & 553 FEL	43-047-36648
Bonanza 9-12-9-23	NE SE	12	9S	23E	UTU-74426	1980 FSL & 660 FEL	43-047-36654
Bonanza 9-18-9-24	NE SE	18	9S	24E	UTU-73457	2009 FSL & 852 FEL	43-047-36636
Bonanza 9-22	NE/SE	22	9S	24E	UTU-75118	1,969' FSL & 495' FEL	43-047-36102
East Bench 9-20	NE/SE	20	11S	22E	UTU-73905	2,170' FSL & 472' FEL	43-047-36275
Rock House 12-30-10-23	NE SW	30	10S	23E	UTU-76281	2320 FSL & 1980 FWL	43-047-36548
Rock House 12-31-10-23	NW SW	31	10S	23E	UTU-76281	1900 FSL & 460 FWL	43-047-36552
Rock House 13-30-10-23	SW SW	30	10S	23E	UTU-76281	553 FSL & 573 FWL	43-047-36549
Rock House 14-31-10-23	SE SW	31	10S	23E	UTU-76281	860 FSL & 1890 FWL	43-047-36553
Rock House 3-31-10-23	NE NW	31	10S	23E	UTU-76281	854 FNL & 1940 FWL	43-047-36551
Rock House 5-30-10-23	SW NW	30	10S	23E	UTU-76281	1858 FNL & 703 FWL	43-047-36547
Rock House 5-31-10-23	SW NW	31	10S	23E	UTU-76281	2055 FNL & 2097 FWL	43-047-36550
Rock House 6-31-10-23	SE NW	31	10S	23E	UTU-76281	2059 FNL & 2111 FWL	43-047-36554
Rockhouse #12-30	NW/SW	30	10S	23E	UTU-80571	1,980' FSL & 660' FWL	43-047-36018
Rockhouse 13C-31	SW/SW	31	10S	23E	UTU-76281	135' FSL & 365' FWL	43-047-35911
Rockhouse 4D-30	NW NW	30	10S	23E	UTU-76281	1,116 FNL & 1,135' FWL	43-047-35882
Rockhouse 4D-31	NW NW	31	10S	23E	UTU-76281	990' FNL & 990' FWL	43-047-35807
Southman Canyon 12-3-11-24	NW/SW	3	11S	24E	UTU-73918	1,950' FSL & 514' FWL	43-047-36272
Southman Canyon 12-30-10-24	NW/SW	30	10S	24E	UTU-65371	2,118' FSL & 502' FWL	43-047-36238
Southman Canyon 13-30	SW/SW	30	9S	24E	UTU-80571	765' FSL & 303' FWL	43-047-36018
Southman Canyon 16-31-10-24	SE/SE	31	10S	24E	UTU-65371	621' FSL & 575' FEL	43-047-36270
Southman Canyon 4-30-10-24	NW/NW	30	10S	24E	UTU 65371	649' FNL & 607' FWL	43-047-36237
Southman Canyon 5-19-10-24	SW/NW	19	10S	24E	UTU-65371	1,978' FNL & 855' FWL	43-047-36236
Southman Canyon 6-30	SE/NW	30	9S	24E	UTU-80571	2,015' FNL & 2,581' FWL	43-047-36103

x Duplicate API -
Different well name

OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ

2. CDW

X Change of Operator (Well Sold)

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective:

9/1/2005

FROM: (Old Operator):

N2525-The Houston Exploration Company
1100 Louisiana, Suite 2000
Houston, TX 77002

Phone: 1-(713) 830-6938

TO: (New Operator):

N2750-Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, CO 80202

Phone: 1-(303) 350-5102

CA No.

Unit:

WELL(S)

NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS	
SOUTHMAN CYN 10D-36	36	090S	230E	4304735363	14093	State	GW	P	
SOUTHMAN CYN 12D-36	36	090S	230E	4304735364	14063	State	GW	P	
SOUTHMAN CYN 2D-36	36	090S	230E	4304735365	14079	State	GW	S	
SOUTHMAN CYN 14C-36	36	090S	230E	4304735770	14320	State	GW	P	C
SOUTHMAN CYN 8C-36	36	090S	230E	4304735771	14292	State	GW	P	C
SOUTHMAN CYN 16C-36	36	090S	230E	4304735772	14265	State	GW	P	C
SOUTHMAN CYN 15-36-9-23	36	090S	230E	4304736529		State	GW	APD	C
SOUTHMAN CYN 3-36-9-23	36	090S	230E	4304736530		State	GW	APD	C
BONANZA 4D-16	16	090S	240E	4304735622	14319	State	GW	P	C
ROCK HOUSE 13-36	36	100S	220E	4304735902		State	GW	APD	
ROCK HOUSE 3-36-10-22	36	100S	220E	4304736407		State	GW	NEW	C
ROCK HOUSE 1-36-10-22	36	100S	220E	4304736408		State	GW	APD	C
ROCK HOUSE 7-36-10-22	36	100S	220E	4304736409		State	GW	NEW	C
ROCK HOUSE 13-32-10-23	32	100S	230E	4304736411		State	GW	APD	C
ROCK HOUSE 4-32-10-23	32	100S	230E	4304736412		State	GW	APD	C
EAST BENCH 3-16	16	110S	220E	4304736125		State	GW	NEW	
EAST BENCH 1-16	16	110S	220E	4304736126		State	GW	NEW	
EAST BENCH 7-16	16	110S	220E	4304736127		State	GW	NEW	
EAST BENCH 15-16	16	110S	220E	4304736128		State	GW	NEW	
ROCK HOUSE 16-2	02	110S	230E	4304736152		State	GW	APD	
HANGING ROCK 1-32	32	110S	230E	4304736309		State	GW	APD	
RAINBOW 2-16	16	110S	240E	4304736184	14657	State	GW	DRL	C

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 9/26/20052. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 9/26/20053. The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 9/29/20054. Is the new operator registered in the State of Utah: YES Business Number: 5771233-01615. If **NO**, the operator was contacted on:

6a. (R649-9-2)Waste Management Plan has been received on:

Requested 9/29/05

6b. Inspections of LA PA state/fee well sites complete on:

n/a

6c. Reports current for Production/Disposition & Sundries on:

9/29/2005

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA n/a

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: _____ not yet

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 9/29/2005
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 9/29/2005
3. Bond information entered in RBDMS on: 9/30/2005
4. Fee/State wells attached to bond in RBDMS on: 9/30/2005
5. Injection Projects to new operator in RBDMS on: n/a
6. Receipt of Acceptance of Drilling Procedures for APD/New on: 9/26/2005

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UTB000173

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: n/a

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0008031
2. The **FORMER** operator has requested a release of liability from their bond on: n/a
The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER

2. NAME OF OPERATOR:

Enduring Resources, LLC

3. ADDRESS OF OPERATOR:

475 17th Street, Suite 1500 CITY Denver

STATE CO ZIP 80202

PHONE NUMBER:

(303) 573-1222

5. LEASE DESIGNATION AND SERIAL NUMBER:

ML-47063

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

Rock House 13-32-10-23

9. API NUMBER:

4304736411

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 564' FSL & 471' FWL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 32 10S 23E S

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Change well name</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>and number</u>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

CHANGE WELL NAME AND NUMBER:

FROM: Rock House 13-32-10-23

TO: Rock House 10-23-14-32

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

NAME (PLEASE PRINT) Alvin R. (Al) Arlian

TITLE Landman - Regulatory Specialist

SIGNATURE [Signature]

DATE 11/10/2005

(This space for State use only)

RECEIVED

NOV 14 2005

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

5. LEASE DESIGNATION AND SERIAL NUMBER:

ML-47063

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

n/a

7. UNIT or CA AGREEMENT NAME:

n/a

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER

8. WELL NAME and NUMBER:

Rock House 10-23-14-32

2. NAME OF OPERATOR:

Enduring Resources, LLC

9. API NUMBER:

4304736411

3. ADDRESS OF OPERATOR:

475 17th Street, Suite 1500

CITY

Denver

STATE

CO

ZIP

80202

PHONE NUMBER:

(303) 350-5114

10. FIELD AND POOL, OR WILDCAT:

Wildcat

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 564' FSL - 471' FWL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 32 10S 23E S

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>3/15/2006</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Request for APD Extension</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Enduring Resources, LLC respectfully request an extension to the expiration date of this Application for Permit to Drill

FROM: 4-21-2006

TO: 4-21-2007

Approved by the
Utah Division of
Oil, Gas and Mining

Date:

03-21-06

By:

NAME (PLEASE PRINT) Alvin R. (Al) Arlian

TITLE Landman - Regulatory Specialist

SIGNATURE

DATE 3/15/2006

(This space for State use only)

RECEIVED

MAR 21 2006

DIV. OF OIL, GAS AND MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4304736411
Well Name: Rock House 10-23-14-32
Location: 564' FSL - 471' FWL SWSW Sec. 32, 10S-23E
Company Permit Issued to: The Houston Exploration Company
Date Original Permit Issued: 4/21/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒


Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐



Signature

3/15/2006

Date

Title: Landman - Regulatory Specialist

Representing: Enduring Resources, LLC

RECEIVED

MAR 21 2006

DIV. OF OIL, GAS & MINING

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: ENDURING RESOURCES, LLC

Well Name: ROCK HOUSE 10-23-14-32

Api No: 43-047-36411 Lease Type: STATE

Section 32 Township 10S Range 23E County UINTAH

Drilling Contractor PETE MARTIN'S RIG # BUCKET

SPUDDED:

Date 10/18/06

Time 10:00 AM

How DRY

Drilling will Commence: _____

Reported by DOUG HAMMOND

Telephone # (435) 790-6996

Date 10/18/06 Signed CHD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: Enduring Resources, LLC Operator Account Number: N 2750
Address: 475 17th Street, Suite 1500
city Denver
state CO zip 80202 Phone Number: (303) 350-5114

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304736411	Rock House 10-23-14-32	SWSW	32	10S	23E	Utah
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	15705	10/18/2006	10/19/06		
Comments: <u>CSLGT = mVRD</u>						CONFIDENTIAL

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
Comments:						

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
Comments:						

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Alvin R. (Al) Arlian

Name (Please Print)

Signature

Landman-Regulatory

Title

10/19/2006

Date

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DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, re-enter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>	5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47063
2. NAME OF OPERATOR: Enduring Resources, LLC	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202	7. UNIT or CA AGREEMENT NAME: n/a
4. LOCATION OF WELL FOOTAGES AT SURFACE: 564' FSL - 471' FWL	8. WELL NAME and NUMBER: Rock House 10-23-14-32
PHONE NUMBER: (303) 350-5114	9. API NUMBER: 4304736411
10. FIELD AND POOL, OR WILDCAT: Wildcat	

COUNTY: Uintah

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 11/1/2006	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Conductor and Surface Pipe Set
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

10-18-2006 MIRU Pete Martin and drill 40' of 20" conductor hole.

Run 40' of 14" conductor pipe and cement with 3 yards of Readymix cement.

10-19-2006 MIRU Patterson Drilling Rig #51, drill 12-14" hole to 2035'. RIH with 46 joints, 9-5/8", 36#, J55, surface casing to 2026. Cement guide shoe, float collar, 12 centralizers, and 2 cement baskets.

MIRU, Superior Cementing Services, and cemented with 425 sx lead, 190 sx tail and displace w/ 153 bbls H2O.

Stage: 1, Lead, 0, 425, Superlite w/ 8% GEL, 0.25#/sx Super Flake, 10% Cal-seal and 10#/sx Gilsonite, Pozmix 1.98, 112.5

Stage: 1, Tail, 0, 190, w/ 2% CACL2 0.25#/sx Superflake, Class H, 1.15, 15.8

Stage: 1, Displace w/ 153 bbls H2O, Circ 30 bbls cement to surface with no fall back.

SENT TO OPERATOR
11-6-06
pm

NAME (PLEASE PRINT) Alvin R. (Al) Arlian

TITLE Landman - Regulatory Specialist

SIGNATURE

DATE 11/1/2006

(This space for State use only)

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NOV 06 2006

CONFIDENTIAL

ENDURING RESOURCES, LLC

425 Seventeenth Street, Suite 1500

Denver, Colorado 80202

Telephone: 303-573-1222

Facsimile: 303-573-0461

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NOV 09 2006

November 6, 2006

DIV. OF OIL, GAS & MINING

State of Utah
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: **Well Logs**
Rock House 10-23-14-32
SWSW Sec 32-T10S-R23E
Uintah County, Utah

API # 43-049-36411

Ladies and Gentlemen:

Attached is one original copy of the logs run on the above-referenced well.

Please hold this information as "confidential" as long as allowed.

Should you have any questions concerning this matter, please do not hesitate to call 303-350-5114 (aarlian@enduringresources.com).

Very truly yours

ENDURING RESOURCES, LLC



Alvin R. (Al) Arlian
Landman – Regulatory Specialist

ara/
Enclosures as stated:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

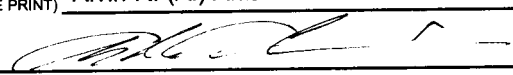
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47063
2. NAME OF OPERATOR: Enduring Resources, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: n/a
PHONE NUMBER: (303) 350-5114		8. WELL NAME and NUMBER: Rock House 10-23-14-32
4. LOCATION OF WELL FOOTAGES AT SURFACE: 564' FSL - 471' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 32 10S 23E S		9. API NUMBER: 4304736411
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Wildcat
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 1/3/2007	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Notice of First Gas Sales
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

1-3-2007 First Gas Sales, start up pressure was 1,800#'s on casing, choke 12/64". In 8 hours sold 450 mcf.

Completion Report To Follow.

NAME (PLEASE PRINT) Alvin R. (Al) Arlian	TITLE Landman - Regulatory Specialist
SIGNATURE 	DATE 1/5/2007

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JAN 10 2007

**Enduring Resources, LLC**

475 17th St. - Suite 1500
 Denver, CO 80202
 (303) 573-1222

Daily Activity Report

32 10s 23e

Drilling Activity

Well Name : ROCK HOUSE 10-23-14-32											
Well User ID :		UT0735.01		API Code:		430473641100		AFE # :		DV00643	
Operator :		Enduring Resources, LLC						Operated :		No	
S/T/R :		32/10S/23E		WI :		0.5		NRI :		0.4	
County, St. :		UINTAH, UT		Field :		Natural Buttes		AFE DHC :		\$711,675	
Acres :		0		Dlg Rig Rel Date:		11/7/2006		AFE Total:		\$1,409,019	
Spud Date :		10/23/2006		AFE Type :		Development Drlg/Comp		AFE Develop To:		7285	
564	ft. from	S	line and	471	ft. from	W	line	Proposed Depth :		0	

Activity Date :	10/18/2006	Days Since Spud :	0	24 Hr. Footage Made :	0	Current Depth :	0
Rig Company :				Rig Name:			
Activity :	24 - Idle			Weather:			
Remarks:							

Operations									
Start	Hrs	Code	Remarks				Start Depth	End Depth	Run
6:00	2.00	24	SDFN				0	0	NIH
8:00	9.00	21	Building Location				0	0	NIH
17:00	13.00	24	SDFN				0	0	NIH
Total:	24.00								
		DC :		\$0		Cumm DHC :		\$0	
						Total Well Cost:		\$0	

Activity Date :	10/19/2006	Days Since Spud :	0	24 Hr. Footage Made :	40	Current Depth :	40
Rig Company :				Rig Name:			
Activity :	24 - Idle			Weather:			
Remarks:							

Operations									
Start	Hrs	Code	Remarks				Start Depth	End Depth	Run
6:00	2.00	24	SDFN				0	0	NIH
8:00	9.00	02	FINISHED BUILDING LOCATION AND MI PETE MARTIN RATHOLE. DRILL 40 FT OF 20" CONDUCTOR HOLE, RUN 40 FT OF 14" CONDUCTOR AND CEMENT WITH 3 YARDS OF READYMIX				0	40	NIH
17:00	13.00	24	SDFN				40	40	NIH
Total:	24.00								
		DC :		\$209,000		Cumm DHC :		\$209,000	
						Total Well Cost:		\$209,000	

Activity Date :	10/20/2006	Days Since Spud :	0	24 Hr. Footage Made :	0	Current Depth :	40
Rig Company :				Rig Name:			
Activity : 21 - Other				Weather:			
Remarks:							

Operations									
Start	Hrs	Code	Remarks				Start Depth	End Depth	Run
6:00	12.00	01	MIRU PATTERSON 51				40	40	NIH
18:00	12.00	21	SHUT DOWN FOR THE NIGHT				40	40	NIH
Total:	24.00								
		DC :		\$25,090		Cumm DHC :		\$234,090	
						Total Well Cost:		\$234,090	

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**Enduring Resources, LLC**

475 17th St. - Suite 1500
Denver, CO 80202
(303) 573-1222

Daily Activity Report

Activity Date :	10/21/2006	Days Since Spud :	0	24 Hr. Footage Made :	0	Current Depth :	40
Rig Company :				Rig Name:			
Activity :	21 - Other			Weather:			
Remarks:	ROBERT TATE - 435-828-5981						
Operations							
Start	Hrs	Code	Remarks	Start Depth	End Depth	Run	
6:00	12.00	01	MIRU PATTERSON RIG #51	40	40	NIH	
18:00	12.00	21	SHUT DOWN FOR THE NIGHT	40	40	NIH	
Total:	24.00						
				DC :	\$25,090	Cumm DHC :	\$259,180
				Total Well Cost:		\$259,180	

Activity Date :	10/22/2006	Days Since Spud :	0	24 Hr. Footage Made :	0	Current Depth :	40
Rig Company :				Rig Name:			
Activity :	21 - Other			Weather:			
Remarks:	ROBERT TATE - 435-828-5981						
Operations							
Start	Hrs	Code	Remarks	Start Depth	End Depth	Run	
6:00	12.00	01	MIRU PATTERSON RIG 51	40	40	NIH	
18:00	12.00	21	SHUT DOWN FOR THE NIGHT	40	40	NIH	
Total:	24.00						
				DC :	\$25,090	Cumm DHC :	\$284,270
				Total Well Cost:		\$284,270	

Activity Date :	10/23/2006	Days Since Spud :	1	24 Hr. Footage Made :	67	Current Depth :	107
Rig Company :	PATTERSON UTI			Rig Name:	PATTERSON #51		
Activity :	02 - Drilling			Weather:			
Remarks:	MIRU PATTERSON 51 FRIDAY/SATURDAY/SUNDAY						
				SPUD @ 01:30 AM 10/23/2006 - STARTING DEPTH = 40'		DEPTH AT REPORT TIME = 119'	
				MW = 8.4ppg - VISC = 29			
Operations							
Start	Hrs	Code	Remarks	Start Depth	End Depth	Run	
6:00	14.00	01	MIRU PATTERSON RIG 51	40	40	NIH	
20:00	2.00	14	NIPPLE UP 14" RISER & FLOW LINE	40	40	NIH	
22:00	0.50	21	STRAP BHA	40	40	NIH	
22:30	0.50	06	MAKE UP 12 1/4" SURFACE BIT & 8" MOTOR	40	40	1	
23:00	1.50	08	WORK ON PUMPS & TIGHTEN STAND PIPE	40	40	1	
0:30	0.50	22	INSTALL ROTATINGHEAD RUBBER	40	40	1	
1:00	5.00	02	DRLG F/ 40' T/ 107' = 67" @ 13.4 FT/HR - WOB = 3K - RPM = 41t + 75m = 116 TOTAL - SPM = 160 - GPM = 473 - PP = 432psi	40	107	1	
Total:	24.00						
				DC :	\$25,090	Cumm DHC :	\$309,360
				Total Well Cost:		\$309,360	

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**Enduring Resources, LLC**

475 17th St. - Suite 1500
 Denver, CO 80202
 (303) 573-1222

Daily Activity Report

Activity Date :	10/24/2006	Days Since Spud :	2	24 Hr. Footage Made :	254	Current Depth :	361
Rig Company :	PATTERSON UTI			Rig Name: PATTERSON #51			
Activity :	02 - Drilling			Weather:			
Remarks:	RUNNING LIGHTER WOB AND HIGHER RPM AND REAMING EVERY JOINT TWICE BEFORE CONNECTIONS TO KEEP INCLINATION UNDER 2 DEG. .						
	ROBERT TATE - 435-828-5981						

Operations						
Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	3.75	02	DRLG F/ 107' T/119' = 12' @ 3.2 FT/HR - WOB = 4K - RPM = 39t + 85m = 124 TOTAL - SPM = 180 - GPM = 532 - PP = 597psi	107	119	1
9:45	0.50	10	SURVEY @ 83' = .25 DEG INCL - TOTCO SURVEY	119	119	1
10:15	4.50	02	DRLG F/ 119' T/210' - 91' @ 20.2 FT/HR - WOB = 10/13K - RPM = 44t +85m = 129 total - SPM = 180 - GPM =532 - PP = 580psi	119	210	1
14:45	0.50	07	SERVICE RIG	210	210	1
15:15	0.25	10	TOTCO SURVEY @ 174' = 1.00 DEG INCL	210	210	1
15:30	3.00	02	DRLG F/ 210' T/268' - 58' @ 19.3 ft/hr - WOB = 6/8K - RPM = 60t + 85m = 145 total - SPM = 180 - GPM =532 - PP = 690psi	210	268	1
18:30	0.50	10	TOTCO SURVEY @ 232' = .75 DEG INCL	268	268	1
19:00	5.50	02	DRLG F/ 268' T/326' - 58' @ 10.5 FT/HR - WOB = 12K - RPM = 49t + 85m = 134 total - SPM = 180 - GPM = 532 - PP = 670psi	268	326	1
0:30	1.00	10	SURVEY @ 290' = .50 DEG INCL	326	326	1
1:30	0.50	05	CIRC BOTTOMS UP PREP FOR BHA TRIP	326	326	1
2:00	1.00	06	TRIP OUT OF HOLE - PICK UP 2 - 12 1/4" IBS'	326	326	1
3:00	0.50	08	CHANGE OUT WIEGHT INDICATOR	326	326	1
3:30	0.50	05	TIH W/ NEW BHA	326	326	1
4:00	2.00	02	DRLG F/ 326' T/ 361' - 35' @ 17.5 FT/HR - 13/24K - RPM = 50t + 85m = 135total - SPM = 180 - GPM = 532 - PP = 680psi	326	361	1
Total: 24.00						
			DC :	\$138,609	Cumm DHC :	\$447,969
				Total Well Cost:	\$447,969	

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**Enduring Resources, LLC**

475 17th St. - Suite 1500
Denver, CO 80202
(303) 573-1222

Daily Activity Report

Activity Date :	10/25/2006	Days Since Spud :	3	24 Hr. Footage Made :	497	Current Depth :	858	
Rig Company :	PATTERSON UTI			Rig Name:	PATTERSON #51			
Activity :	02 - Drilling			Weather:				
Remarks:								
Operations								
Start	Hrs	Code	Remarks			Start Depth	End Depth	Run
6:00	0.25	02	DRLG F/ 361' T/ 363' - 2' @ 8 FT/HR - WOB = 14K - RPM = 50t + 85m = 135 total - SPM = 180 - GPM = 532 - PP = 387psi			361	363	1
6:15	0.50	10	SURVEY @ 327' = 1.00 DEG INCL			363	363	1
6:45	1.50	02	DRLG F/ 363' T/423' - 60' @ 40 FT/HR -WOB = 21K - RPM = 55t + 85m = 140total - SPM = 180 - GPM = 532 - PP = 750psi			363	423	1
8:15	0.25	10	SURVEY @ 387' =0.5 DEG INCL			423	423	1
8:30	1.25	02	DRLG F/ 423' T/483' - 60' @ 48 FT/HR - RPM = 55t + 85m = 140 total - SPM = 180 - GPM = 532 - PP = 880psi			423	483	1
9:45	0.25	10	SURVEY @ 447' = 0.75 DEG INCL			483	483	1
10:00	0.50	07	SERVICE RIG			483	483	1
10:30	3.00	02	DRLG F/ 483' T/572' - 89' @ 29.6 FT/HR - WOB = 20K - RPM = 59t + 85m = 144 total - SPM = 180 - GPM = 532 - PP = 950psi			483	572	1
13:30	0.50	10	SURVEY @ 536' = 1.00 DEG INCL			572	572	1
14:00	4.25	02	DRLG F/ 572' T/ 661' - 89' @ 29.9 FT/HR - WOB = 20/22K - RPM = 54t + 85 m = 139 - SPM = 180 - GPM = 532 - PP = 955psi			572	661	1
18:15	0.25	10	SURVEY @ 613' = 0.75 DEG INCL			661	661	1
18:30	2.50	02	DRLG F/ 661' T/ 722' - 61' @ 24.4 FT/HR - WOB = 20/24K - RPM = 54t + 85m = 139 - SPM = 180 - SPM = 532 - PP = 955psi			661	722	1
21:00	0.50	10	SURVEY @ 678' = 0.75 DEG INCL			722	722	1
21:30	4.50	02	DRLG F/ 722' T/ 815' - 93' @ 46.5 FT/HR - WOB = 20/23K - RPM = 45t + 85m = 130 - SPM = 180 - GPM = 532 - PP = 1000psi			722	815	1
2:00	0.50	10	SURVEY @ 768' = 0.75 DEG INCL			815	815	1
2:30	3.50	02	DRLG F/ 815' T/ 858' - 43' @ 12.2 FT/HR - WOB = 20/23K - RPM = 50t + 85m = 135 - SPM = 180 - GPM = 532 - PP = 1025psi			815	858	1
Total:	24.00							
DC :			\$50,549	Cumm DHC :	\$498,518	Total Well Cost:	\$498,518	

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DIV. OF OIL, GAS & MINING

**Enduring Resources, LLC**

475 17th St. - Suite 1500
 Denver, CO 80202
 (303) 573-1222

Daily Activity Report

Activity Date :	10/26/2006	Days Since Spud :	4	24 Hr. Footage Made :	534	Current Depth :	1392
Rig Company :	PATTERSON UTI			Rig Name:	PATTERSON #51		
Activity :	02 - Drilling			Weather:			
Remarks:	STARTED EXPERIENCING SEEPAGE AT 1072' TO 1244' - LOST 98bbbls TOTAL OVER AN 8 HOUR PERIOD (2:30pm - 10:15pm) - TREATED SEEPAGE WITH VISCOUS SWEEPS CONTAINING FROM 2% TO 5% LCM - AT 8PM WE BY PASSED SHAKER ALLOWING LCM TO REMAIN IN SYSTEM. HOLE NO LONGER SEEPING BY 10:15 PM - CONTINUED WITH SWEEPS CONTAINING 2% / 5% LCM EVERY 60/90 FT.						
	TD ON 12 1/4" SURFACE HOLE SET FOR 2030' - 46 JTS OF 95/8 CSG ON LOCATION = 2023'						
	WE HAVE A CONSISTENT PATTERN OF 0.75 DEGREES ESTABLISHED & WIL START RUNNING SURVEYS IN 120' INTERVALS AS APPOSED TO 96' - UNLESS HOLE ANGLE INCREASES AND WE NEED TO MONITOR ANGLE MORE CLOSELY AGAIN.						
	ROBERT TATE - 435-828-5981						

Operations						
Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	1.50	02	DRLG F/ 858' T/ 912' - 54' @ 36 FT/HR - WOB = 20/23K - RPM = 50t + 85m = 135 - SPM = 180 - GPM = 532 - PP = 1110psi	858	912	1
7:30	0.50	10	SURVEY @ 876' = MISS RUN	912	912	1
8:00	1.00	02	DRLG F/ 912' T/ 944' - 32' @ 32 FT/HR - WOB = 23K - RPM = 50t + 85m = 135 - SPM = 180 - GPM = 532 - PP = 1100psi	912	944	1
9:00	0.50	10	SURVEY @ 908' = 0.75 DEG INCL	944	944	1
9:30	3.00	02	DRLG F/ 944' T/ 1040' - 96' @ 32 ft/hr - WOB - 23K - RPM = 54t + 85m = 139 - SPM = 180 - GPM = 532 - PP = 1100psi	944	1040	1
12:30	0.25	10	SURVEY @ 1004' = 1.00 DEG INCL	1040	1040	1
12:45	4.25	02	DRLG F/ 1040' T/ 1136' - 96' @ 22.5 ft/hr - wob = 20/23k - rpm = 53T + 85M = 140 - spm = 180 - gpm = 532 - pp = 1125psi	1040	1136	1
17:00	0.50	10	SURVEY @ 1100' = 0.75 DEG INCL	1136	1136	1
17:30	4.00	02	DRLG F/ 1136' T/ 1232' - 96' @ 24 FT/HR - WOB = 20/23K - RPM = 45/55t + 85 M = 130/140 - SPM = 180 - GPM = 532 - PP = 1075psi	1136	1232	1
21:30	0.50	10	SURVEY @ 1186' = 0.75 DEG INCL	1232	1232	1
22:00	4.50	02	DRLG F/ 1232' T/ 1328' - 96' @ 21.3 FT/HR - WOB = 20/25K - RPM = 45/55t + 85m = 130/140 - SPM = 180 - GPM = 532 - PP = 1000psi	1232	1328	1
2:30	0.50	10	SURVEY @ 1281' = 0.75 DEG INCL.	1328	1328	1
3:00	3.00	02	DRLG F/ 1328' T/ 1392' - 64' @ 21.3 FT/HR - WOB = 22/25K - RPM = 53t + 85m = 138 - SPM = 180 - GPM = 532 - PP = 965psi	1328	1392	1
Total:	24.00					
			DC :	\$33,535	Cumm DHC :	\$532,053
			Total Well Cost:		\$532,053	

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DIV. OF OIL, GAS & MINING

**Enduring Resources, LLC**

475 17th St. - Suite 1500
 Denver, CO 80202
 (303) 573-1222

Daily Activity Report

Activity Date :	10/27/2006	Days Since Spud :	5	24 Hr. Footage Made :	366	Current Depth :	1758
Rig Company :	PATTERSON UTI			Rig Name:	PATTERSON #51		
Activity :	02 - Drilling			Weather:			
Remarks:	Presently only running 15K WOB to get deviation back to under 1 deg to set 8 5/8' casing. Repairing #1 pump valve and seat - only running # 2 pump at 121 spm - #1 pump should be back up soon.						
Operations							
Start	Hrs	Code	Remarks	Start Depth	End Depth	Run	
6:00	2.50	02	DRLG F/ 1392' T/ 1456' - 64' @ 25.6 FT/HR - WOB = 23/25K - RPM = 55t + 85m = 140 - SPM = 180 - GPM = 532 - PP = 950psi	1392	1456	1	
8:30	0.50	10	1420' = 0.75 DEG INCL	1456	1456	1	
9:00	6.25	02	Drilling Ahead F/1456' T/1616' (160' @ 25.6 ft/hr) WOB-25K, RPM-56t+84m=140, SPM-180, GPM-532, PP-856	1456	1616	1	
15:15	0.50	10	Deviation Survey @ 1580' - 1 deg	1616	1616	1	
15:45	0.50	07	Rig Service	1616	1616	1	
16:15	4.50	02	Drilling Ahead F/1616' T/1712 (96' @ 21.3ft/hr) WOB-20K, RPM-57t+84m=145, SPM-180, GPM-532, PP-915	1616	1712	1	
20:45	0.50	10	Deviation Survey @ 1666 - 1.75 deg	1712	1712	1	
21:15	5.00	02	Drilling Ahead F/1712' T/1732' (20' @ 4 ft/hr) WOB-15K, RPM-60t+84m=144, SPM-180, GPM-532, PP-849	1712	1731	1	
2:15	0.50	08	Lost pump 50 psi pump pressure - Checked out pumps - #1 pump has washed out valve and seat - Switch to pump #2 a@121 SPM, 650 PSI during repair	1731	1731	1	
2:45	1.25	02	Drilling Ahead F/1732' T/1744' (12' @ 9.6 ft/hr) WOB-15K, RPM-60t+50m=110, SPM-121, GPM-310, PP-650	1731	1744	1	
4:00	0.50	10	Deviation Survey @ 1720 - 1.25 deg	1744	1744	1	
4:30	1.50	02	Drilling Ahead F/1744' T/1758' (14' @ 9.3 ft/hr) WOB-15K, RPM- 60t+50m=110, SPM-121, GPM-310, PP-650	1744	1758	1	
Total:	24.00						
DC :				\$46,883	Cumm DHC :		\$578,936
				Total Well Cost:		\$578,936	

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**Enduring Resources, LLC**

475 17th St. - Suite 1500
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(303) 573-1222

Daily Activity Report

Activity Date :	10/28/2006	Days Since Spud :	6	24 Hr. Footage Made :	227	Current Depth :	1985
Rig Company :	PATTERSON UTI			Rig Name:	PATTERSON #51		
Activity :	02 - Drilling			Weather:			
Remarks:	Slow drilling @ 10 ft/hr - Running 15K WOB to maintain 1 degree or less deviation to 2035'.						

Should TD 12 1/4" surface hole by 10:00 AM (Sat)
Surface casing should be cemented by 11:30 PM (Sat)
All services are lined up & on will call based on this schedule.

Boiler run 12 hours today.

ROBERT TATE - 435-828-5981

Operations						
Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	2.00	02	Drilling Ahead F/1758' T/1775' (17' @ 8.5 ft/hr) WOB-15K, RPM-60t+50m=110, SPM-121, GPM-310, PP-645	1758	1775	1
8:00	0.50	07	Service Rig	1775	1775	1
8:30	3.25	02	Drilling Ahead F/1775' T/1808' (33' @ 10.2 ft/hr) WOB-15K, RPM-54t+93m=147, SPM-180, GPM-582, PP-1210	1775	1808	1
11:45	0.50	10	Deviation Survey @ 1772' - 1.00 deg	1808	1808	1
12:15	5.50	02	Drilling Ahead F/1808' T/1872' (64' @ 11.6 ft/hr) WOB-15K, RPM-54t+84=138, SPM-180, GPM-532, PP-1183	1808	1872	1
17:45	0.50	10	Deviation Survey @ 1826' - 1.00 deg	1872	1872	1
18:15	7.00	02	Drilling Ahead F/1872' T/1937' (65' @ 9.3 ft/hr) WOB-15K, RPM-57t+84m=141, SPM-180, GPM-532, PP-1221	1872	1937	1
1:15	0.50	10	Deviation Survey @ 1889' - 1.00 deg	1937	1937	1
1:45	4.25	02	Drilling Ahead F/1937' T/1985' (48' @ 11.3 ft/hr) WOB-15K, RPM-57t+84m=141, SPM-180, GPM-849, PP-1249	1937	1985	1
Total:	24.00					
			DC :	\$37,893	Cumm DHC :	\$616,829
			Total Well Cost:		\$616,829	

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**Enduring Resources, LLC**

475 17th St. - Suite 1500
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Daily Activity Report

Activity Date :	10/29/2006	Days Since Spud :	7	24 Hr. Footage Made :	50	Current Depth :	2035
Rig Company :	PATTERSON UTI			Rig Name:	PATTERSON #51		
Activity :	05 - Condition Mud & Circulate			Weather:			
Remarks:	Called Dan Jarvis with The State of Utah to advise of 9 5/8" cement job @ 12:00 midnight and BOP test at about 9:00 am (Sun)						
	Caliber Casing LD machine arrived on site @ 3:25 pm - rig up same to LD 8" tools and DC's.						
	Superior Well Service on site @ 11:00 pm as scheduled.						
	Damaged landing joint coupling - The cementing head could not get a good seal due to damaged/galled threads (Note: This did not matter in the past as Halliburton's cementing head utilized a special clamp style seal that did not utilize the threads.) We reversed the coupling on to the LJ and welded it back on the casing, leaving new clean threads to make up Superior's screw-on cementing head on to the same.						
	ROBERT TATE - 435-828-5981						

Operations						
Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	0.50	02	Drilling Ahead F/1985 T/2001 (16' @32 ft/hr) WOB-15K, RPM-58t+84m=138, SPM-180, GPM-532, PP-1162	1985	2001	1
6:30	0.50	10	Deviation Survey @ 1965' - 1.00 deg	2001	2001	1
7:00	3.00	02	Drilling Ahead F/2001' T/2033' (32' @10.7 ft/hr) WOB-15K, RPM-58t+84m=138, SPM-180, GPM-532, PP-1220	2001	2033	1
10:00	0.50	07	Rig Service	2033	2033	1
10:30	0.25	02	Drilling Ahead F/2033 T/2035 (2' @ 8 ft/hr) WOB-15K, RPM-57t+84m=141, SPM-180, PP-1211	2033	2035	1
10:45	1.25	05	Circulate and condition mud (pump sweep for ST)	2035	2035	1
12:00	2.00	06	Short trip to 8" DCs - no tight spots or fill	2035	2035	1
14:00	1.50	05	Circulate and condition mud (pump sweep)	2035	2035	1
15:30	0.50	21	Pump dry job to TOOH, LD 8" tools and run 9 5/8" casing	2035	2035	1
16:00	2.50	06	TOOH to run 9 5/8" casing	2035	2035	1
18:30	1.50	22	Lay down 8" motor, (2) 8" IBSs, (1) 8" SS, and (3) 8" DCs	2035	2035	NIH
20:00	1.00	12	Rig Up Caliber Casing crew to run 9 5/8" csg	2035	2035	NIH
21:00	0.75	23	Wait on welder to tack float equipment	2035	2035	NIH
21:45	5.75	12	Ran 46 joints of 9 5/8", STC, 36#, J-55 casing as follows: Welded 9 5/8" guide shoe and float collar to 9 5/8" csg, and ran (12) centralizers and (2) cement baskets per the casing program. Made up the 9 5/8" head/nipple on to th 46th joint and set the string on the flange support with the 9 5/8" landing joint. Casing set at 2026.68' with 47,000# string weight.	2035	2035	NIH
3:30	2.50	05	Made up 9 5/8" circ swedge onto landing joint - noted that the threads on the LJ coupling were galled and damaged - Proceeded to circulate with mud leaking - could not get a good seal. Continue to circulate - wait on welder to repair the same - see summary remarks above.	2035	2035	NIH
Total:	24.00					
			DC :	\$101,970	Cumm DHC :	\$718,799
					Total Well Cost:	\$718,799

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**Enduring Resources, LLC**

475 17th St. - Suite 1500
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Daily Activity Report

Activity Date :	10/30/2006	Days Since Spud :	8	24 Hr. Footage Made :	0	Current Depth :	2035
Rig Company :	PATTERSON UTI			Rig Name:	PATTERSON #51		
Activity :	23 - Other			Weather:			
Remarks:	Superior Cementing Service were on time and did a good job on the surface cement job. Pason down (internet and phones) from 10/28/06 - 11:00am thru 10/29/06 - 3:45 pm. Called in report to Teme @ 7:15 am and exported the same @ 4 PM 10/29.						
Operations							
Start	Hrs	Code	Remarks	Start Depth	End Depth	Run	
6:00	0.50	05	Circulated 9 5/8" casing with swedge - Rigged up Superior Cementing	2035	2035	NIH	
6:30	0.50	21	Welded reversed coupling on 9 5/8" landing joint.	2035	2035	NIH	
7:00	0.50	12	Made up cementing head and tested to 3000# for 10 minutes - Held OK	2035	2035	NIH	
7:30	2.50	12	Cemented with Superior Cementing Services as follows: Pumped ahead 20 bbls of water/gel preflush + 150 bbls/425sks Superlite Lead Cement-50/50 POZ (12.5#, 1.98yld, 5.0 gal/sk H2O) with 8% Gel, 0.25 lb/sk Super Flake, 10% cal-seal and 10#/sk Gilsonite + 39 bbls/190 sks Type H Tail (15.8#, 1.15 yld, 5.0 gal/sk H2O) with 2% Calcium Chloride and .25#/sk Superflake. Dropped plug and dislaced with 153 bbls H2O - Bumped the plug with 900 psi (220 psi over circ) Full returns and no pressure loss throughout cementing process - Float held - Circ 30 bbls cement to surface with no fall back.	2035	2035	NIH	
10:00	8.50	14	Nipple up BOPs & weld on flow nipple/line	2035	2035	NIH	
18:30	7.00	15	Test BOPs with Quick Test as follows: Upper/Lower Kelly Valve, Inside BOP, Safety Valve, Pipe/Blind Rams, Inside/Outside Valves, Kill/Choke Lines, Manifold & Valves, and Superchoke to 3000/250 for 10/5 mins - Annular Preventer to 1500/250 psi for 10/5 mins - 9 5/8" Casing to 1500 psi for 30 mins - All held OK. Cleaned out sand trap and shale pit during testing.	2035	2035	NIH	
1:30	1.50	09	Slip and cut 80' drilling line	2035	2035	NIH	
3:00	1.00	22	Install wear bushing	2035	2035	NIH	
4:00	2.00	23	Finish cleaning pits & transferring mud from 400 bbl upright	2035	2035	NIH	
Total:	24.00						
DC :				\$55,326	Cumm DHC :	\$774,125	Total Well Cost: \$774,125

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**Enduring Resources, LLC**

475 17th St. - Suite 1500
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 (303) 573-1222

Daily Activity Report

Activity Date :	10/31/2006	Days Since Spud :	9	24 Hr. Footage Made :	797	Current Depth :	2832
Rig Company :	PATTERSON UTI			Rig Name:	PATTERSON #51		
Activity :	02 - Drilling			Weather:			
Remarks:	Pason readings not working when we were TIH - Called PASON @ 11:00am - Attempted repairing ourselves (changed out cables and checked connections) Pason on site @ 4 pm - repaired the same.						
	Surveys: Using new Vaughn Energy Services Flexishot Tool for all directional surveys. 9 5/8' casing set at 2027' - monel collar must clear the casing at least 50' to avoid interference. Declination (correction) is always +11 (per Troy Stephenson with VES)						
	First survey outside csg should be taken at 2157' - tool would be 50' outside csg and bit would be 10' off bottom. Attempted to take first survey @ 2109' (MISRUN)						
	Alex Clough - 866-270-6403						

Operations

Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	2.00	21	Finish mud transfer and reassemble desilter and desander	2035	2035	NIH
8:00	2.50	06	Pick up BHA & trip in hole - tagged cement @ 1960'	2035	2035	2
10:30	0.50	22	Drilling cement F/1960' T/2035' - Float Collar @ 1979', Guide Shoe @ 2026'	2035	2035	2
11:00	0.50	23	Formation Integrity Test @ 2035' - 200 psi (11.5 equiv mw) for 10 mins with no pressure loss	2035	2035	2
11:30	1.50	02	Drilling Ahead F/2035' T/2158' (123' @ 82 ft/hr) WOB-8K, RPM-45t+54m=99, SPM-120, GPM-335, PP-768	2035	2158	2
13:00	0.50	10	Deviation Survey @ 2109' MISRUN using new directional tool - too close to csg	2158	2158	2
13:30	0.50	02	Drilling Ahead F/2158' T/2190' (32' @ 64 ft/hr) WOB-8K, RPM-45t+54m=95, SPM-120, GPM-335, PP-805	2158	2190	2
14:00	0.50	10	Deviation Survey @ 2141' DEV 1.4, AZI 173.9 (corrected +11) Note: Deviation increased 0.4 deg in 176'	2190	2190	2
14:30	1.50	02	Drilling Ahead F/2190' T/2222' (32' @ 21 ft/hr) WOB-6K, RPM-55t+54m=109, SPM-120, GPM-335, PP-825	2190	2222	2
16:00	0.50	10	Deviation Survey @ 2173' DEV 1.4, AZI 169.4 (corrected +11)	2222	2222	2
16:30	1.00	02	Drilling Ahead F/2222' T/2236' (14' @ 14 ft/hr) WOB-6K, RPM-55t+54m=99, SPM-120, GPM-335, PP-893	2222	2236	2
17:30	0.50	07	Lubricate Rig - Function Test Pipe Rams	2236	2236	2
18:00	0.50	02	Drilling Ahead F/2236' T/2255' (19' @ 38 ft/hr) WOB-12K, RPM-45t+54m=99, SPM-121, GPM-335, PP-1028	2236	2255	2
18:30	0.50	10	Deviation Survey @ 2211' DEV 1.4, AZI 174.4 (corrected +11)	2255	2255	2
19:00	1.50	02	Drilling Ahead F/2255' T/2319' (64' @ 42.7 ft/hr) WOB-15K, RPM-46t+54m=100, SPM-120, GPM-335, PP-1025	2255	2319	2
20:30	0.50	10	Deviation Survey @ 2243' DEV 1.6, AZI 171.4 (corrected +11)	2319	2319	2
21:00	1.00	02	Drilling Ahead F/2319' T/2383' (64' @ 64 ft/hr) WOB-17K, RPM-55t+54m=109, SPM-120, GPM-335, PP-1147	2319	2383	2
22:00	0.50	10	Deviation Survey @ 2307' DEV 1.4, AZI 170.8 (corrected +11)	2383	2383	2
22:30	1.00	02	Drilling Ahead F/2383' T/2448' (65' @ 65 ft/hr) WOB-20K, RPM-51t+54m=105, SPM-120, GPM-335, PP-1166	2383	2448	2
23:30	0.50	10	Deviation Survey @ 2371' DEV 1.6, AZI 169.8 (corrected +11)	2448	2448	2
0:00	1.00	02	Drilling Ahead F/2448' T/2543' (95' @ 104 ft/hr) WOB-19K, RPM-55t+54m=109, SPM-120, GPM-335, PP-1096	2448	2543	2
1:00	0.50	10	Deviation Survey @ 2467' DEV 1.6, AZI 169.2 (corrected +11)	2543	2543	2
1:30	1.50	02	Drilling Ahead F/2543' T/2639' (96' @ 64 ft/hr) WOB-19K, RPM-51t+54m+105, GPM-335, PP-1202	2543	2639	2
3:00	0.50	10	Deviation Survey @ 2563' DEV 1.6, AZI 170.2 (corrected +11)	2639	2639	2
3:30	1.00	02	Drilling Ahead F/2639' T/2735' (96' @ 96 ft/hr) WOB-21K, RPM-53t+54m=107, SPM-120, GPM-335, PP-1355	2639	2735	2
4:30	0.50	10	Deviation Survey @ 2659' DEV 1.6, AZI 165.2 (corrected +11)	2735	2735	2
5:00	1.00	02	Drilling Ahead F/2735' T/2832' (97' @ 97 ft/hr) WOB-19K, RPM-54t+54m=108, SPM-120, GPM-335, PP-1349	2735	2832	2
Total: 24.00						

DC :	\$29,921	Cumm DHC :	\$804,046	Total Well Cost:	\$804,046
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Report Date : Monday, January 29, 2007

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DIV. OF OIL, GAS & MINING

**Enduring Resources, LLC**

475 17th St. - Suite 1500
 Denver, CO 80202
 (303) 573-1222

Daily Activity Report

Activity Date :	11/1/2006	Days Since Spud :	10	24 Hr. Footage Made :	1759	Current Depth :	4591
Rig Company :	PATTERSON UTI			Rig Name:	PATTERSON #51		
Activity :	02 - Drilling			Weather:			
Remarks:							

Discussed deviation issue with Teme @ 9am - The holes angle is staying in at 1.6 to 2.0 deg in a southerly direction at this point - We only have about 16' in the southerly direction to work with - we will not be able to stay in the window, even with the packed hole assembly that is being utilized. We will proceed drilling for optimum penetration and and do a corrective run with directional tools at a later time per Enduring.

Pason phones and internet not working since 8 pm 10/31/06. Rig functions/monitoring working OK. Have checked all lines and connections - left several messages with Pason.

Operations						
Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	0.50	10	Deviation Survey @ 2751' DEV 2.0, AZI 157.2 (corrected +11)	2832	2832	2
6:30	1.00	02	Drilling Ahead F/2832' T/2929 (95' @ 95 ft/hr) WOB-21K, RPM-51t+51m+102, SPM-114, GPM-318, PP-1377	2832	2929	2
7:30	0.50	10	Deviation Survey @ 2846' DEV 2.0, AZI 153.8 (corrected +11)	2929	2929	2
8:00	2.00	02	Drilling Ahead F/2928' T/3121' (193' @ 96.5 ft/hr) WOB-22K, RPM-54t+51m=105, SPM-114, GPM-318, PP-1316	2929	3121	2
10:00	0.50	07	Rig Service	3121	3121	2
10:30	1.25	02	Drilling Ahead F/3121' T/3248' (127' @ 101.6 ft/hr) WOB-22K, RPM-54t+51m=105, SPM-114, GPM-318, PP-1292	3121	3248	2
11:45	0.50	10	Deviation Survey @ 3168' DEV 2.2, AZI-152.2 (corrected +11)	3248	3248	2
12:15	3.75	02	Drilling Ahead F/3248' T/3537' (298' @ 77.1 ft/hr) WOB-21K, RPM-54t+51m=105, GPM-318, PP-1334	3248	3537	2
16:00	0.50	10	Deviation Survey @ 3456' DEV 2.2, AZI 153.6 (11+ correction)	3537	3537	2
16:30	3.25	02	Drilling Ahead F/3537' T/3823' (286' @ 88 ft/hr) WOB-20K, RPM-55t+51m=106, GPM-332, PP-1453	3537	3823	2
19:45	0.50	10	Deviation Survey @ 3750' DEV 2.00, AZI 156.4 (corrected +11)	3823	3823	2
20:15	3.25	02	Drilling Ahead F/3823' T/4110 (287' @ 88.3 ft/hr) WOB-20K, RPM-52t+51m=103, SPM-114, GPM-318, PP-1523	3823	4110	2
23:30	0.50	10	Deviation Survey @ 4034' DEV 2.2, AZI 157.4 (corrected +11)	4110	4110	2
0:00	3.50	02	Drilling Ahead F/4110' T/4399' (289' @ 82.6 ft/hr) WOB-21K, RPM 54t+51m=105, SPM-114, GPM-318, PP-1444	4110	4399	2
3:30	0.50	10	Deviation Survey @ 4323' DEV 2.00, AZI 158.4 (corrected +11)	4399	4399	2
4:00	2.00	02	Drilling Ahead F/4399' T/4591' (192' @ 96 ft/hr) WOB-21K, RPM-52t+51m=103, SPM-114, GPM-318, PP-1482	4399	4591	2
Total: 24.00						
			DC :	\$34,116	Cumm DHC :	\$838,162
					Total Well Cost:	\$838,162

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**Enduring Resources, LLC**

475 17th St. - Suite 1500
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(303) 573-1222

Daily Activity Report

Activity Date :	11/2/2006	Days Since Spud :	11	24 Hr. Footage Made :	1059	Current Depth :	5650
Rig Company :	PATTERSON UTI			Rig Name:	PATTERSON #51		
Activity :	02 - Drilling			Weather:			
Remarks:	Gas Readings: BG - 64 to 121 units CG - 150 to 270 units SG - 1684 units from 5542' depth Alex Clough - 866-270-6403						

Operations						
Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	2.50	02	Drilling Ahead F/4591' T/4752' (161' @ 64.4 ft/hr) WOB-20K, RPM-55+51m=105, SPM_114, GPM-318, PP-1445	4591	4752	2
8:30	0.50	10	Deviation Survey @ 4671' DEV 2.50, AZI 159.6 (corrected +11)	4752	4752	2
9:00	5.00	02	Drilling Ahead F/4752' T/5040' (288' @ 57.6 ft/hr) WOB-22K, RPM-54t+51=105, SPM-114, GPM-318, PP-1496	4752	5040	2
14:00	0.50	10	Deviation Survey @ 4957' DEV 2.8, AZI 153.0 (corrected +11)	5040	5040	2
14:30	0.50	02	Drilling Ahead F/5040' T/5072 (32' @ 64 ft/hr) WOB-22K, RPM-55t+53=108, SPM-118, PP-1404	5040	5072	2
15:00	0.50	07	Rig Service	5040	5040	2
15:30	5.00	02	Drilling Ahead F/5072' T/5329 (257' @ 51.4 ft/hr) WOB-21K, RPM-53t+51m=104, SPM-115, GPM-321, PP-1389	5072	5329	2
20:30	0.50	10	Deviation Survey @ 5253' DEV 3.3, AZI 153.9 (corrected +11)	5329	5329	2
21:00	7.50	02	Drilling Ahead F/5329' T/5618 (289' @ 38.5 ft/hr) WOB-20K, RPM-55t+49m=104, SPM-110, GPM-307, PP-1398	5329	5618	2
4:30	0.50	10	Deviation Survey @ 5542' DEV 3.1, AZI 154.5 (corrected +11)	5618	5618	2
5:00	1.00	02	Drilling Ahead F/5618' T/5650' (32' @ 32 ft/hr) WOB-20K, RPM-55t+56m=106, GPM-318, PP-1537	5618	5650	2
Total:	24.00					
			DC :	\$35,451	Cumm DHC :	\$873,613
			Total Well Cost:	\$873,613		

Activity Date :	11/3/2006	Days Since Spud :	12	24 Hr. Footage Made :	929	Current Depth :	6579
Rig Company :	PATTERSON UTI			Rig Name:	PATTERSON #51		
Activity :	02 - Drilling			Weather:			
Remarks:	4 1/2" casing will be delivered Fri morning by Aztec - Inspection of same by Bilbey on Sat morning.						
	Alex Clough - 866-270-6403						

Operations						
Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	5.00	02	Drilling Ahead F/5650 T/5906' (256' @ 51.2 ft/hr) WOB-22K, RPM-54t+53m=107, SPM-118, GPM-329, PP-1601	5650	5906	2
11:00	0.50	10	Deviation Survey @ 5825' DEV 2.8, AZI 154.4 (corrected +11)	5906	5906	2
11:30	3.50	02	Drilling Ahead F/5906' T/6066 (160' @ 45.7 ft/hr) WOB-21K, RPM-53t+52m=105, SPM-116, GPM-324, PP-1566	5906	6066	2
15:00	0.50	07	Lubricate Rig (Operate Pipe Rams)	6066	6066	2
15:30	2.50	02	Drilling Ahead F/6066' T/6194' (128' @ 51.2 ft/hr) WOB-21K, RPM-55t+49m=104, SPM-110, GPM-307, PP-1484	6066	6194	2
18:00	0.50	10	Deviation Survey @ 6118' DEV 3.4, AZI 147.1 (corrected +11)	6194	6194	2
18:30	9.00	02	Drilling Ahead F/6194' T/6483' (289' @ 32.1 ft/hr) WOB_21K, RPM-53t+46m=99, SPM-102, GPM-285, PP-1461	6194	6483	2
3:30	0.50	10	Deviation Survey @ 6407' DEV 3.6, AZI-153.6 (corrected +11)	6483	6483	2
4:00	2.00	02	Drilling Ahead F/6483' T/6579' (96' @ 48 ft/hr) WOB-22K, RPM-57t+50m=107, SPM-112, GPM-312, PP-1551	6483	6579	2
Total:	24.00					
			DC :	\$49,753	Cumm DHC :	\$923,366
			Total Well Cost:	\$923,366		

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**Enduring Resources, LLC**

475 17th St. - Suite 1500
 Denver, CO 80202
 (303) 573-1222

Daily Activity Report

Activity Date :	11/4/2006	Days Since Spud :	13	24 Hr. Footage Made :	387	Current Depth :	6966
Rig Company :	PATTERSON UTI			Rig Name:	PATTERSON #51		
Activity :	06 - Trips			Weather:			

Remarks: 4 1/2" casing delivered @ 9:30 AM - Inspect Sat. morning.

Bit trip @ 6966' - Gradual reduction of ROP from 45 ft/hr @ 6823' to 5 ft/hr @ 6966' in 10 hrs - cleaned bit several times (working pipe, pumping soap sticks & nut plug sweeps) with little improvement. Pulled Bit#2 was balled up and had several chipped teeth on all rows.

Gas Readings:

BG - 25 to 75 units
 CG - 408 to 1200 units
 HG - 2615 units @ 6840 ft depth

Alex Clough - 866-270-6403

Operations

Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	4.50	02	Drilling Ahead F/6579' T/6772' (193' @ 42.9 ft/hr) WOB-21K, RPM-55t+52m=107, SPM-116, GPM-324, PP-1616	6579	6772	2
10:30	0.75	10	Deviation Survey @ 6690' DEV 3.8, AZI-156.7 (+11 correction)	6772	6772	2
11:15	1.50	02	Drilling Ahead F/6772' T/6823' (51' @ 34 ft/hr) WOB-22K, RPM-44t+52m=96, SPM-116, GPM-1616, PP-1543	6772	6823	2
12:45	0.25	21	Clean Bit - Pump soap sticks & nutplug	6823	6823	2
13:00	0.25	02	Drilling Ahead F/6823' T/6825' (2' @ 8 ft/hr) WOB-21K, RPM-55t+53m=108, SPM-118, GPM-329, PP-1435	6823	6825	2
13:15	0.25	21	Clean Bit - Work pipe	6825	6825	2
13:30	0.75	02	Drilling Ahead F/6825' T/6836' (11' @ 14.7 ft/hr) WOB-22K, RPM-43t+52m=95, SPM-116, GPM-324, PP-1581	6825	6836	2
14:15	0.25	07	Rig Service	6836	6836	2
14:30	1.00	02	Drilling Ahead F/6836' T/6855' (19' @ 19 ft/hr) WOB-22K, RPM-44t+53m=97, SPM-119, GPM-332, PP-1482	6836	6855	2
15:30	0.25	21	Clean Bit - Pump soap sticks & nutplug	6855	6855	2
15:45	2.75	02	Drilling Ahead F/6855' T/6900' (45' @ 16.4 ft/hr) WOB-20K, RPM-55t+49m=105, SPM-112, GPM-312, PP-1400	6855	6900	2
18:30	0.50	02	Drilling Ahead F/6900' T/6906' (6' @ 12 ft/hr) WOB-16K, RPM-57t+50m=107, SPM-113, GPM-315, PP-1418	6900	6906	2
19:00	0.50	21	Clean Bit - Work pipe - Pump Sweep	6906	6906	2
19:30	4.00	02	Drilling Ahead F/6906' T/6966' (60' @ 15 ft/hr) WOB-23K, RPM-56t+52m=108, SPM-117, GPM-326, PP-1548	6906	6966	2
23:30	1.00	05	Circ & condition mud - Pump sweep for bit trip	6966	6966	2
0:30	4.00	06	Pump pill & TOOH	6966	6966	2
4:30	1.50	06	Laydown mud motor & pick up new mud mptor and bit	6966	6966	3
Total:	24.00					

DC :	\$35,659	Cumm DHC :	\$959,025	Total Well Cost:	\$959,025
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DIV. OF OIL, GAS & MINING

**Enduring Resources, LLC**

475 17th St. - Suite 1500
Denver, CO 80202
(303) 573-1222

Daily Activity Report

Activity Date :	11/5/2006	Days Since Spud :	14	24 Hr. Footage Made :	489	Current Depth :	7455
Rig Company :	PATTERSON UTI			Rig Name:	PATTERSON #51		
Activity :	06 - Trips			Weather:			
Remarks:	Gas Readings:						
	BG - 27 to 110 units CG - 152 to 210 units SG - 247 units TG - 8875 units Jack Watson advised TD needed to be 7445' Drilled 10' rathole to 7455 for fill and csg hanger/placement. Alex Clough - 866-270-6403						

Operations						
Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	2.50	06	Tripping in hole with Bit #3 - No tight spots - Break circ @ 6932'	6966	6966	3
8:30	0.50	03	Reaming F/6932' T/6966' (30' of soft fill)	6966	6966	3
9:00	3.50	02	Drilling Ahead F/6966' T/7092' (126' @ 36 ft/hr) WOB-16K, RPM-53t+52m=105, SPM-117, GPM-326, PP-1478	6966	7092	3
12:30	0.50	10	Deviation Survey @ 7011' DEV 3.8, AZI (+11 correction)	7092	7092	3
13:00	2.00	02	Drilling Ahead F/7092' T/7189' (97' @ 48.5 ft/hr) WOB-17K, RPM-51t+52m=103, SPM-116, GPM-324, PP-1465	7092	7189	3
15:00	0.50	07	Rig Service (Function Test BOPs)	7189	7189	3
15:30	5.00	02	Drilling Ahead F/7189' T/7455' (266' @ 53.2 ft/hr) WOB-18K, RPM-50t+51=101, SPM-115, GPM-321, PP-1656	7189	7455	3
20:30	1.00	05	Circ & cond mud for ST - Pump sweep to clean hole - Pump pill for dry job	7455	7455	3
21:30	2.50	06	Short trip 56 stands into 9 5/8" casing shoe - No tight spots	7455	7455	3
0:00	2.00	09	Cut & Slip 165' drilling line	7455	7455	3
2:00	2.00	06	Short trip back to bottom - No tight spots (10' of fill)	7455	7455	3
4:00	2.00	05	Circ and condition mud for logging trip	7455	7455	3
Total:	24.00					
DC :			\$38,068	Cumm DHC :	\$997,093	Total Well Cost: \$997,093

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DIV. OF OIL, GAS & MINING

**Enduring Resources, LLC**

475 17th St. - Suite 1500
 Denver, CO 80202
 (303) 573-1222

Daily Activity Report

Activity Date :	11/6/2006	Days Since Spud :	15	24 Hr. Footage Made :	0	Current Depth :	7455
Rig Company :	PATTERSON UTI			Rig Name:	PATTERSON #51		
Activity :	06 - Trips			Weather:			
Remarks:	Schlumberger on site @ 07:15 AM Logger's TD - 7445' Drillers TD - 7455 SLM - 7458' Called Jack Watson @ 3 PM - Proceed with running casing Tops: Wasatch @ 3432' Mesaverde @ 5362' Alex Clough - 866-270-6403						

Operations						
Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	3.50	06	Drop totco and TOO H for logs w/ (SLM) - LD MM & (3) IBSs	7455	7455	3
9:30	6.00	11	Rig up Schlumberger & log well (Loggers TD-7445')	7455	7455	NIH
15:30	3.50	06	TIH with tri-cone bit (no tight spots) 10' of soft fill	7455	7455	NIH
19:00	1.00	05	Circulate and condition mud	7455	7455	NIH
20:00	3.00	21	Wait on Caliber laydown truck (truck broke down)	7455	7455	NIH
23:00	7.00	06	Rig up laydown truck and laydown drill string	7455	7455	NIH
Total:	24.00					
DC :				\$50,203	Cumm DHC :	\$1,047,296
					Total Well Cost:	\$1,047,296

Activity Date :	11/7/2006	Days Since Spud :	16	24 Hr. Footage Made :	0	Current Depth :	7455
Rig Company :	PATTERSON UTI			Rig Name: PATTERSON #51			
Activity :	23 - Other			Weather:			
Remarks:	Note: Waited from 6am to 8am (2hr) for Caliber tong truck/crew. Will deduct a total of \$4,000 (5 hrs rigtime) from Caliber's laydown/tong ticket. JT with Caliber will come by the site tomorrow to discuss waiting time and settle invoice.						
	Enduring with allow Patterson #51 (1) full day (after the mud pits are cleaned) to release the rig completely. Therefore the rig will be released at 10 pm Tues (11/07/06) evening.						
	Contacting all services and venders to make sure that all final billing related to wells drilled with Patterson #51 for Enduring, are processed for all outstanding invoices and rentals by Tues (11/07/06).						

Operations						
Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	2.00	21	Wait on Caliber tong truck/crew	7455	7455	NIH
8:00	5.50	12	Rig up tong truck and ran 4 1/2", 11.6#, LTC, M-80 casing as follows: Ran 174 joints of casing. MU circ swedge onto joint #175 and washed through 25' of fill, tagging bottom at 7455'. Laid down joint #175 and MU 4 1/2" casing hanger/nipple on top of joint #174. MU HW landing joint and set the hanger in the 9 5/8" head with 80,000 # string weight.	7455	7455	NIH
13:30	1.00	05	Circulate and condition mud with rig pump to clean hole (RD casers/LD & RU cements)	7455	7455	NIH
14:30	2.50	12	Cement with Halliburton as follows: Pumped ahead 10/20/10 bbls preflush + 91.6 bbls/135 sks Hi-Fill Lead (11#, 3.81 yld, 23.41 gal/sk H2O w/ GEL, 1% EX-1, 10# Gilsnite, .125 polyflake, .2% HR-7, 3% Salt (BWOC), 3# Granulite, followed by 217 bbls/1000 sks 50/50 POZ Tail (14.35#, 1.22 yld, 5.23 gal/sk H2O) with 2% Gel, .6% Halad-322, .2% CBL, 5% Salt, (BWOW), .125 Polyflake - Displaced with 114.5 bbls clay fix. Pumped 1/2 barrel over calculated displacement volume, but did not bump the plug. Shut down the pumps and floats held. Full returns throughout cementing process. No cement circulated to the surface. Noted trace at very end of displacement	7455	7455	NIH
17:00	5.00	22	Jet and clean steel pits	7455	7455	NIH
22:00	8.00	23	Continue rig down of Patterson #51	7455	7455	NIH
Total:	24.00					
DC :				\$164,686	Cumm DHC :	\$1,211,982
					Total Well Cost:	\$1,211,982

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DIV. OF OIL, GAS & MININ

**Enduring Resources, LLC**

475 17th St. - Suite 1500
Denver, CO 80202
(303) 573-1222

Daily Activity Report

Activity Date :	11/8/2006	Days Since Spud :	17	24 Hr. Footage Made :	0	Current Depth :	7455
Rig Company :	PATTERSON UTI			Rig Name:	PATTERSON #51		
Activity :	01 - Rig Up & Tear Down			Weather:			

Remarks: Released all rental items and settled all outstanding invoices related to Enduring Resources.

Shipped all equipment and tools (that Houston Energy is not picking up) back to their respective vendors.

All extra and damaged casing has been shipped to Aztec - including (2) good HW landing joints.

Enduring does not want to keep the 9 5/8" landing joint, because it's strength could have been compromised when we reversed the coupling and welded the same on our last surface job - I gave it to Patterson for scrap.

I have left the (2) 13 3/8" riser sections on site - Cale with WPI will pick them up in a couple days.

Most of the water in the reserve pit has been pumped out and trucked off site - dumped in (2) nearby Enduring non-active reserve pits.

All mud products have been trucked back to MI Swaco - They will inventory and provide credit ASAP.

Alex Clough - 866-270-6403

Operations						
Start	Hrs	Code	Remarks	Start Depth	End Depth	Run
6:00	14.00	01	Rig down Patterson #51 - Daywork - Released rig @ 10:00pm	7455	7455	NIH
Total:	14.00					

DC :	\$26,171	Cumm DHC :	\$1,238,153	Total Well Cost:	\$1,238,153
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STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER _____

b. TYPE OF WORK: NEW WELL ☒ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER _____

2. NAME OF OPERATOR:
Enduring Resources, LLC

3. ADDRESS OF OPERATOR:
475 17th St, Suite 1500 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 573-1222

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 564' FSL - 471' FWL
AT TOP PRODUCING INTERVAL REPORTED BELOW: same as above
AT TOTAL DEPTH: same as above

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-47063

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
N/A

7. UNIT or CA AGREEMENT NAME
N/A

8. WELL NAME and NUMBER:
Rock House 10-23-14-32

9. API NUMBER:
4304736411

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
SWSW 32 10S 23E S

12. COUNTY
Uintah

13. STATE
UTAH

14. DATE SPUDDED: 10/23/2006 15. DATE T.D. REACHED: 11/4/2006 16. DATE COMPLETED: 1/3/2007 ABANDONED ☐ READY TO PRODUCE ☒

17. ELEVATIONS (DF, RKB, RT, GL):
5478 RKB

18. TOTAL DEPTH: MD 7,455 TVD 19. PLUG BACK T.D.: MD 7,378 TVD 20. IF MULTIPLE COMPLETIONS, HOW MANY? * 5 21. DEPTH BRIDGE MD PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
Previously submitted. *Per lithoden, comp rev, AIT*

23. WAS WELL CORED? NO ☒ YES ☐ (Submit analysis)
WAS DST RUN? NO ☒ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☒ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14"	line pipe	0	42		3 yards		0 (CIR)	0
12-1/4"	9 5/8 J55	36#	16	2,027		CI G 615	189	16 (CIR)	0
7-7/8"	4 1/2 N80	11.60#	16	7,411		CI G 1,135	309	1726(CAL)	0

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	6,708							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Wasatch	4,725	4,739			4,725 4,739	.34"	16	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B) Mesaverde	6,122	7,002			6,122 7,002	.34"	73	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
4,725 - 4,739	Placed 49,801 lbs Ottawa 30/50 proppant in Wasatch formation
6,122 - 7,002	Placed 99,936 lbs Ottawa 30/50 proppant in Mesaverde formation

29. ENCLOSED ATTACHMENTS:

30. WELL STATUS:

- ☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER: _____

Producing

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31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED: 1/3/2007		TEST DATE: 1/27/2007		HOURS TESTED: 576		TEST PRODUCTION RATES: →		OIL – BBL: 3		GAS – MCF: 504		WATER – BBL: 0		PROD. METHOD: 24 day avg		
CHOKE SIZE: 64/64		TBG. PRESS. 0	CSG. PRESS. 200	API GRAVITY	BTU – GAS	GAS/OIL RATIO 197	24 HR PRODUCTION RATES: →		OIL – BBL: 3		GAS – MCF: 590		WATER – BBL: 0		INTERVAL STATUS: Producing	

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Green River	514				
Wasatch	3,429				
Mesaverde	5,385				

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) Kevin LeeTITLE Engineering TechSIGNATURE DATE 1/29/2007

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation

- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

CONFIDENTIAL

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS <small>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.</small>		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47063
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
2. NAME OF OPERATOR: Enduring Resources, LLC		7. UNIT or CA AGREEMENT NAME: n/a
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY: Denver STATE: CO ZIP: 80202		8. WELL NAME and NUMBER: Rock House 10-23-14-32
4. LOCATION OF WELL FOOTAGES AT SURFACE: 564' FSL - 471' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 32 10S 23E S		9. API NUMBER: 4304736411 10. FIELD AND POOL, OR WILDCAT: Wildcat
		COUNTY: Uintah STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT <small>(Submit in Duplicate)</small> Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input checked="" type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input type="checkbox"/> OTHER: _____
<input checked="" type="checkbox"/> SUBSEQUENT REPORT <small>(Submit Original Form Only)</small> Date of work completion: 5/4/2007			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

In order to prevent waste of gas, as defined by law; to protect the correlative rights of all parties concerned; to prevent the drilling of un-necessary wells; and to insure proper and efficient development and promote conservation of the gas resources of the State of Utah, Enduring Resources, LLC respectfully request approval to perforate and commingle the Wasatch and Mesaverde formations "pools" in the same well bore.

- Ownership in both formations is the same. However, in the event allocation of production is necessary, that allocation will be based on proportionate net pay based on well logs.
- These formations shall be commingled in the well bore and produced concurrently in a single string of 2-3/8" production tubing.
- Attached is a map showing the location of wells on contiguous oil and gas leases and/or production units.
- Also attached is an affidavit confirming that this application has been provided to leasehold interest owners in contiguous oil and gas lease or production units overlying the "pool."

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE	DATE <u>5/4/2007</u>

(This space for State use only)

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING

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MAY 07 2007

DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

ENDURING RESOURCES, LLC

425 Seventeenth Street, Suite 1500

Denver, Colorado 80202

Telephone: 303-573-1222

Facsimile: 303-573-0461

May 2, 2007

Fran Fox Trust 1/1/80
P.O. Box 20321
Billings, Montana 59104-0321

CERTIFIED MAIL

ARTICLE NO: 7006 3450 0001 4272 4074

Attention: Land Department

**RE: Commingling Application
Rock House 10-23-14-32
SWSW Sec. 32-T10S-R23E
Uintah County, Utah**

Dear Leasehold Interest Owner:

Enduring Resources, LLC ("Enduring") has filed an application with the State of Utah Division of Oil, Gas, and Mining requesting approval of the Wasatch and Mesaverde formations (pools) in the above-referenced well to be commingled.

Ownership in both formations is the same. However, in the event allocation of production is necessary, that allocation will be based on proportionate net pay based on well logs. These formations (pools) shall be commingled in the well's well bore.

Attached is a map showing the location of wells on contiguous oil and gas leases and/or production units. Also attached is an affidavit confirming that this application has been provided to leasehold interest owners in contiguous oil and gas leases or production units overlying the commingled pools (commingled formations).

Should you have any questions concerning this matter, please do not hesitate to call (303-350-5114)

Very truly yours

ENDURING RESOURCES, LLC



Alvin R. (Al) Arlian
Landman – Regulatory Specialist

ara/

Attachments as stated:

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AFFIDAVIT OF MAILING

Statue of Colorado)
City and)ss.
County of Denver)

Alvin R. Arlian (hereinafter sometimes referred to as "Affiant"), of lawful age, being first duly sworn upon oath, deposes and says:

1. Affiant is a Landman-Regulatory Specialist for Enduring Resources, LLC (hereinafter sometimes referred to as "Enduring") whose address is 475 17th Street, Denver, Colorado 80202,

2. Enduring is the operator of the following described oil and gas well:

**Rock House 10-23-14-32
SWSW Sec. 32-T10S-R23E
Uintah County, Utah**


3. A cursory search of applicable records confirmed that the following parties are the only leasehold interest owners in the contiguous oil and gas wells, contiguous oil and gas leases, or contiguous oil and gas well production units overlying the "pool."

- | | |
|-----------------------------|-----------------------------------|
| 1. Rosewood Resources | 2. Morgan United, LLC |
| 3. Best Exploration, Inc | 4. TK Production Company |
| 5. Montana & Wyoming Oil | 6. AZ Oil, Inc. |
| 7. Western Independent | 8. Harold & Eva Holden 95 Trust |
| 9. Great Northern Drilling | 10. Earl E. Norwood |
| 11. Fran Fox Trust 1/1/80 | 12. Walter S. Fees, Jr., Trust #1 |
| 13. Morgan Marathon, LLC | 14. Western Independent |
| 15. DJ Investment Co., LTD. | 16. Houston Exploration Company |

4. On Friday, May 4, 2007, Affiant mailed (or caused to be mailed) in U.S. Mail, with postage prepaid, a copy of the attached Application for Commingling two or more pools (formations) in one well bore of the well described in Paragraph No. 2 above which said Application for Commingling (Form 9) has/had concurrently been filed with the State of Utah Division of Oil, Gas, and Mining (and if applicable, copies sent to SITLA, and the Bureau of Land Management), and

5. Attached is a map showing the location of wells' located on contiguous oil and gas leases and/or production units.

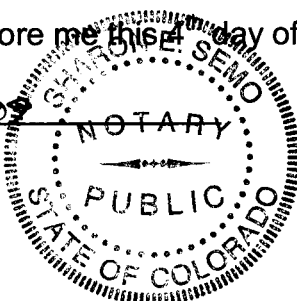
Affiant saith no more.


Alvin R. Arlian, Affiant

Scribed and sworn to before me this 4th day of May, 2007 by Alvin R. Arlian.

My Commission Expires:

9/23/2009



Notary Public.

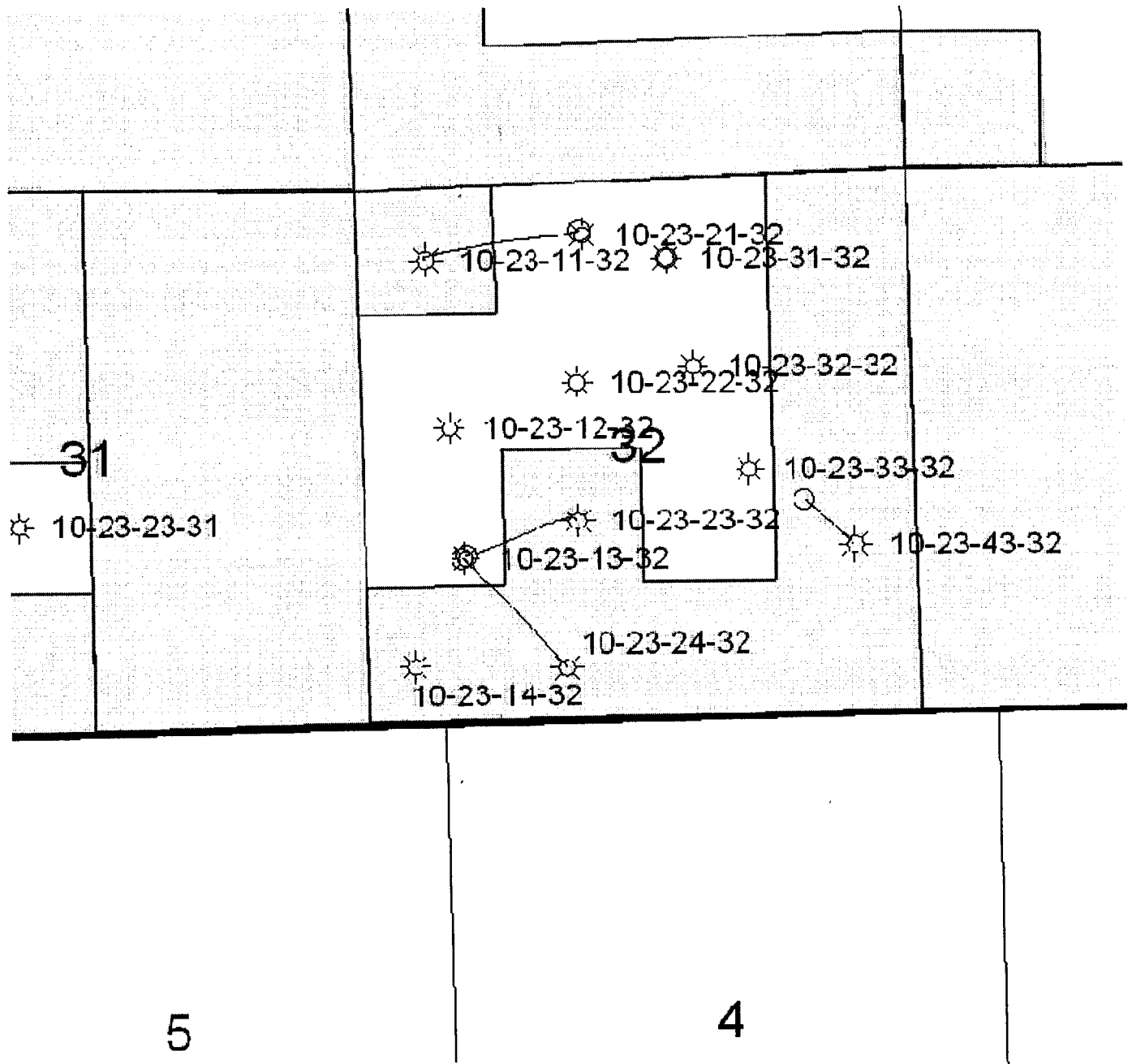


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MAP ATTACHED TO ENDURING RESOURCES, LLC COMMINGLING
APPLICATION FOR ROCK HOUSE 10-23-14-32 LOCATED IN THE SWSW
SEC. 32-T10S-R23E



STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL
OIL WELL ☐ GAS WELL ☒ OTHER _____

2. NAME OF OPERATOR:
Enduring Resources, LLC

3. ADDRESS OF OPERATOR:
475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202

PHONE NUMBER:
(303) 350-5114

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 564' FSL - 471' FWL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 32 10S 23E S

STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER:

ML-47063

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

n/a

7. UNIT or CA AGREEMENT NAME:

n/a

8. WELL NAME and NUMBER:

Rock House 10-23-14-32

9. API NUMBER:

4304736411

10. FIELD AND POOL, OR WILDCAT:

Wildcat

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 11/9/2007	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Pit Closed and Reseeded
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

11-9-2007 Pit has been backfilled and reseeded.

NAME (PLEASE PRINT) Alvin R. (Al) Arlian

TITLE Landman - Regulatory Specialist

SIGNATURE

DATE 11/9/2007

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